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Etc

# THE NEW ORDER

BY

C. B. PURDOM

*Lords and Commons of England, consider what nation it is whereof ye are, and whereof ye are the Governours · a nation not slow and dull, but of a quick, ingenious, and piercing spirit, acute to invent, subtle and sinewy to discours, not beneath the reach of any point the highest that human capacity can soar to.*

JOHN MILTON

LONDON

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To  
the souls of the heroes who died  
in the First World War  
but whose sacrifice was rendered vain  
by the re-establishment of the Old Order  
and to  
the souls of those heroes and common people  
whose sacrifice  
in the Second World War  
should be sanctified  
by making the New Order





## PREFACE

THE expression 'the new order' is on every lip. Our leaders use it, our enemies declare that they are fighting on its behalf, and the betrayers of France say that they are establishing it in their unhappy country. What is the new order, or what could it be? This book is an answer to the question.

The list of contents sets out fully the plan of the book, and an endeavour has been made to render the index useful. The reader will find a certain number of references, together with some acknowledgments, in the notes at the end of the volume.



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## PART I

# PRESUPPOSITIONS

*We are, at least, rid of our illusions. We can no longer buy the highest satisfactions of the individual life at the expense of social injustice. We cannot build our individual ladders to heaven and leave the total human enterprise unredeemed of its excesses and corruptions. In the task of that redemption the most effective agents will be the men who have substituted some new illusions for the abandoned ones. The most important of these illusions is that the collective life of man can achieve perfect justice. It is a very valuable illusion for the moment ; for justice cannot be approximated if the hope of its perfect realization does not generate a sublime madness in the soul. Nothing but such madness will do battle with malignant power and 'spiritual wickedness in high places.'*

REINHOLD NIEBUHR



## Chapter I

### A NEW ATTITUDE

*. . . courage to act on the best hypothesis we are able to conceive.*

LIONEL CURTIS

THE New Order is that which will make the 'blood, toil, tears, and sweat' of the War worth while. In the tragic hour of the dissolution of civilization, when the old order is in transition and we are forced to justify our love of freedom by staking all for it, the outlines of the new society are to be traced. The world is in travail, not alone we who reject despotism and will not submit to conquest, but equally our enemies who despise freedom are in the throes of change. There is no doubt that a new world order has to come; the present conflict is to decide whether men are to be free in it.

We are persuaded that only in freedom is life worth living; therefore we must answer the question urgently asked, What have we to offer that is better than Nazi Germany? Until we respond, with what persistence will the Germans contrast 'the British world of yesterday' with their 'new order of to-morrow.'

In the following pages I give the answer: the New Order for Britain. The term 'the New Order' ought not to be appropriated by the Germans as though it were a Nazi invention, for the desire for a New Order belongs to the prophetic soul of mankind, and here I seek to give a specific form to it.

It is necessary to state the presuppositions and

general principles on which I sketch the outlines of the British New Order, which I do in these two chapters.

I intend to write with the utmost brevity; for this is not a time for long books to be read and considered at leisure, but for a book written to the point and read with urgency. Each chapter could be expanded into a volume, and in other times would be. I invite the reader to bear in mind the implications of what I write and not to be impatient at the shortness of the discussion, remembering that all these subjects have been argued about at length by many writers for years. To-day is the providential time for action. But because one thing depends upon another, and because action cannot be taken in a single direction without affecting everything, I have ventured to prepare a schema of the whole, in the nature of a design for the re-ordering of the British social system, which deserves to be called the New Order.

The assumption is that henceforth there must be for all of us a new way of life. It is not only that the War has upset everything, but that the upset is permanent. Can we not agree that a life worthy of responsible, self-respecting, and mature men and women in this country and throughout Europe will be possible in the future only by a total change in personal habits, in political methods, and in the economic principles and cultural aims of nations as they existed up to September 1939? Since that date, drastic changes have been enforced upon us, we are conscious that greater changes are coming, and we cannot avoid the persuasion that we must prepare for a total change as necessary and possible. Is it not certain that our individual and

'national aims have to be reversed, so that what we have sought hitherto we seek no more?

When we look before us we see infinite uncertainty. And it might be said by the uncourageous that what is described in this book is impossible. My answer is that we have to move within the realm of uncertainty and the impossible is what has to be achieved. In these days incredible things have happened. Now our hearts' desire must be boldly seized out of the hidden future.

Utopia has to be established to save us from destruction.

If the events of the next few years occur without our controlling them, we shall have before us nothing but misery. All our prophets warn us that we have arrived where we are through the accelerated momentum of undirected events. We and the whole world besides had lost faith in the future ordering of human affairs, and in the possibility of resolving the inherent contradictions of our society—poverty and plenty, liberty and authority, freedom and planning, nationalism and world order, and war and peace. So arose the force that is overwhelming the world, madness in the chariot of destiny: 'the world's eyeless charioteer, Destiny . . .' became the leader of our leaders. Only intelligence intensified in creative frenzy can raise our human fate from inevitable disaster to the realm of order. Events will not shape themselves in our favour, and when they appear to do so the demand upon our own souls' effort becomes more urgent, for while Providence does not desert us, the issue of the moment hangs upon our choice. World events have demonstrated that there is no escape from responsibility.

We direct our energies to victory. Our consciences



declare that anything that does not directly or indirectly contribute to victory is waste. So there may be those who will say that the consideration of such matters as are discussed in this book should be postponed until victory has been won. I reply to them that they mistake the meaning of victory. Preparation for the New Order is a war task, for the British New Order will be victory.

I agree that to-day as in the future the duty of every one is to do with all his might the work for which his talents and training fit him. What is not to be forgiven is slackness, inertia, and any diversion that takes our eyes from our goal. To point to the goal, to make clear its shining form, to enable those who fight and those who endure the attack in their homes to realize the greatness of the end for which they face death and the nature of the victory for which they strive, is to aid them. I have written this book with the object of helping to make victory sure.

The total war in which Europe is engaged is the greatest evil that can befall mankind because it means the suspension of reason. War is a breakdown in human creative effort, and the simplification of energy by the organization of force. That is why the study of war is so fascinating and so instructive; for it establishes the logic of strategy and tactics. At the same time, war cannot uphold values and invariably lowers ends, so that its spiritual effect is disastrous. The simplification of issues in war explains why successful soldiers and brilliant students of war are usually ineffective in handling the more highly complex problems of politics and economics. In a time of war, therefore, there must be those whose thoughts transcend the immediate issues, and are concerned with policy and

ultimate ends, bringing unprejudiced and rational minds to bear upon the future, otherwise victory will be barren.

The War will end when the spiritual conditions of which it is the symptom are remedied. These conditions are lack of conviction and the paralysis of uncertainty in the souls of individual men. We have to gain the conviction that we can solve our problems. That is, to develop the quality of not being told what to do. While the War lasts we shall be more and more disciplined, and have more and more orders to carry out, and prompt and cheerful obedience must be forthcoming. But orders can be accepted either as outer compulsions or with inner consent. Any amount of restriction can be harmonized with the independence of our souls. Yet the man who waits for orders is a fool under the conditions of to-day: self-reliance and self-presence are the distinguishing marks of those who respond to the demands of the moment.

The characteristic feature of our War effort is that the people are together; for the sake of reaching victory we have forgotten antagonisms and are reconciled. In the word 'reconciled' is the social quality of the new attitude: reconciliation of classes, interests, neighbours, families, and sexes.

In such reconciliation individuality, variety, novelty, and differentiation without limit in human equality become possible together with the recognition of others and willingness to accept guidance.

Through the new attitude, personal and social, present loss and suffering become worth while. Frankly to admit that the old order is ended, that the New Order is not yet arrived, but is to come, is a decisive step towards ending the vast and terrible conflict of

the War. There must be no idea of returning to the past in anything. Those who face backward to September 1939, whether thinking of habits, positions, possessions, comforts, or national boundaries, will be the betrayers of mankind. Only those who look forward will secure the future and be worthy of the victory. If the question be asked about our traditions and the glorious and hard-won achievements of the past, the answer is that they will be alive in the brave hearts that face the future and construct the new age. All the belligerents declare for new ways of life. That these are to be found is our conviction. They will be found by accepting responsibility for reshaping the world. The man of the New Order does not first look to other leaders, but to himself, to alliance with others who also depend on themselves, and to God. To him everything is possible.

## Chapter II

### THE FUNCTIONAL PRINCIPLE

*Let us imagine a body full of thinking members.*

PASCAL

IN this chapter I explain the sense in which I use the words 'State,' 'Society,' and 'Nation,' which are the aspects under which I propose to consider the British New Order.

I understand the human race to be a single human family, and the human social organism to be the organization of the human household. The place of national social organisms is that of units in the human household. By means of national social organisms the human household is built up; so that the national unit is the starting point, the cell out of which world order originates, its structure being itself the pattern of world order.

#### I. THE BIOLOGICAL ANALOGY

The social organism is not wholly biological, it is also spiritual, with its own laws, and is not to be regarded as subject to nature, but as possessing its own principle of life through which it raises itself to ever higher levels. In other words, society is instinctive in conception, but should be conscious in development, and subject to mind and reason. Biological analogies applied to society are mainly illustrative; they enable us to form an image of social structure. It is an old idea that the true form of the social organism is identical with that of the human body. The analogy is as ancient as

Manu, the lawgiver of India, and the originator of civilization, who said: 'For the prosperity of the worlds he created from his mouth, his arms, his thighs, and his feet, the Brahman, the Kshatriya, the Vaisya, and the Sudra,' that is to say, the learned men, the warriors, the skilled men, and the labourers. Plato supposed the perfect form of civil government to resemble the organization of the human being, and his division of society into guardians, soldiers, and workers corresponds to the faculties of reason, courage, and desire. To liken the commonwealth to the human body was a leading idea of the theological social philosophers of the middle ages. John of Salisbury, famous churchman of the twelfth century, regarded the prince as the head, the councillors the heart, the officials the stomach, and the commons the feet. That the 'body polityke' should function as does the physical body justified the various classes in medieval society, and defined the duties of rulers, merchants, craftsmen, and peasants. 'That great Leviathan called a Commonwealth or State,' said seventeenth-century Hobbes, 'is but an artificial man.'

The analogy is adopted mainly as a parallel and resemblance, for it enables us to visualize the social organism as an association of organs with particular functions, no organ having an independent existence or capable of being considered apart from the whole; for, as in the physical body, the parts of the social body are for the sake of the whole, and exist in unity. We consider, therefore, when forming an image of what the social organism should be, how the body works, the body being the mechanism, how the soul resides in the body, the soul being the desires, and how the spirit guides the soul, the spirit being divine reason.

The principal organs of the body are the head, in which is set guidance, the heart, which is the circulatory system, and the stomach, which is the metabolic system. The three organs represent 'Nation,' 'State,' and 'Society.' By 'Nation' is meant that which has to do with spirit, with the meaning of life, therefore with ends, that is to say, with culture. By 'State' is meant that which has to do with justice, therefore with laws, that is to say, with politics. By 'Society' is meant that which has to do with work, therefore with the means of life, that is to say, with economics. To complete the image there is the unifying principle, the ego, the personality, the 'I' that speaks for the whole, which in the social organism is the 'Senate.'

The analogy underlies the functional principle.

The conception of the New Order is that of a structure of social organs possessing specific functions, which are fused into unity and become a whole. On the functional principle no organ dominates the body, each has its own sphere of activity, which has relation to the whole, and has no value apart from that relation; for neither head, heart, nor stomach has any meaning or any function apart from the body. 'The structure and organization of one part of the system depends upon the needs of the other parts.' Each cell in the organs of the physical body has its own mind, will, and consciousness, each cell is in association with every other cell, as each organ is in association with every other organ, there is no usurpation of functions and no interference of one cell or organ with another while the body is in health. Health is the balance or harmony of cells and organs in the body, sickness of one part of the body affects the whole. So it is in the social organism.

'By art,' said Hobbes, 'is created a commonwealth.' The art of human social ordering is the creation of a structure in which the balance of social organs is maintained, and the interests of the community as a whole preserved. This is the art of politics, which is the most difficult of all the arts, though it often attracts people of the least capacity. Politics calls for the highest intelligence and sensibility, the ripest wisdom, the most perfect honesty, and wide knowledge of men. Yet 'politician' in our vocabulary means the opposite of these qualities! The politician should be the practical man who recognizes the place of the philosopher. The politician's science is sociology, the only science with a moral basis, for it is concerned with what ought to be. The truth in sociology is not what is, but the ideal. Sociology is moral because it is concerned with choice. Sociology is the last of the sciences, the most expensive and the most authoritative. Sociology became possible only with the possibility of human freedom. In Plato there was no sociology proper because the Republic depended upon slavery. To-day the machine replaces the slave, men are liberated, and freedom makes possible a moral, that is to say a healthy and free social organism.

## II. FUNCTION

The structure of the New Order is association in the state, society, and nation, so that we have to consider to what ends these associations exist, the functions of men being related to those ends. In succeeding chapters I discuss this subject; but I must preface what I have to say with a brief exposition of the functional principle itself, because upon the under-

standing of that principle and of its application to social relationships depends, I shall suggest, the security of the social structure.

Function, in the sense in which it is used here, means active relation to the purpose for which a thing exists.

Function in politics arises out of the consideration of the idea of sovereignty, contributed to by the criticism of the increasing centralization and extension of the powers of the state, to which such political theorists devoted themselves, as Otto Gierke in Germany, Léon Duguit in France, F. W. Maitland, Lord Acton, and J. N. Figgis in England, and to-day, among others, Harold J. Laski. However, I take the statement of the functional principle that I shall use from a little-known work by a Spanish writer, Ramiro de Maeztu, written in London during the First World War. In this book, *Authority, Liberty, and Function in the Light of the War* (Allen & Unwin, 1916), de Maeztu, who lost his life in the Spanish Civil War, discussed the possibility of discovering the principle of 'a social order without the need of a sole power,' which he found in the idea of function, '... the relation between the organ and the end.' Men in society, he said, have need of the same thing, therefore they associate for the sake of that thing. Every association is brought into existence because of some end that the members propose to themselves; the relation of the members of an association to the proposed end is their function; and the duty of membership is to fulfil the function.

What has to be recognized in every social relationship, whether natural or contractual, is the function of the relationship, that is to say, the end or object of the association. It is essential that this object be remembered,



and it is fatal to the association to go outside it. The number of associations is unlimited, starting with the family and marriage, and extending to economic, civic, and national affairs, embracing every range of human activity. 'Every association is an association in one thing,' and that thing or object has the primacy in all questions that arise in the association. To maintain the sound working of the social organism the various functions must be fulfilled in the association that confers the function. As every association is limited by its end, and as the functions of its members are known to them, it is possible to arrive at decisions and to act freely, that is to say, to be objective. Thus healthy social activity becomes possible.

Neither the association, whatever it may be, nor its members, are ends in themselves, the end being always the object of the association. The association and its members are instruments to its end. The first order of questions in associations concerns the end, the second order of questions refers to the law or regulations of the association, and the third and inferior order of questions relates to the jurisdiction of authority in the association.

The state is an association, which exists for a particular end; the citizen's function is his relation to that end; the laws of the state are instrumental; and the jurisdiction of the state concerns the citizens in relation to the function. The same principle applies to all associations. The 'rights of man' are not, therefore, inherent or natural, but arise from functions: 'no function, no rights.' Thus rights and duties are complementary. Mr H. G. Wells's 'Declaration of Rights' becomes on this principle not merely an assertion of rights, but a statement of the position of the individual

in the social order, substantiated by functions, and justified on no other grounds.

Because all men belong at the same time to a variety of associations, and thereby possess a number of functions, it is to be deduced, de Maeztu argued, 'that no association can claim absolute jurisdiction over us.' Therefore, except as to its function, no association possesses sovereignty, and, in particular, the state cannot possess the absolute sovereignty that is generally claimed for it.

This does not mean that associations are of equal value, as the values of ends vary, which is obvious; for an association may be a football club or a scientific society, an industrial enterprise or a university, a trade union or a state. But as the end of all associations is not the association, but those things which the association proposes, no association is a final value. We must, therefore, distinguish between final values and instrumental values. Final values are the goods in themselves, the good, the beautiful, and the true; instrumental values are tools for the production of final values. To the class of instrumental values, declared de Maeztu, rising to the height of his argument, belong man and the state. Men find their final ends not in themselves, but in their functions, especially in the highest functions, in the intensity of their devotion to which lie their honour and dignity. So that the end of man is outside himself, outside even his own perfection, transcending his own personality, it is in the glory of God. Nor are final values to be found in the state, which is concerned with the instrumental end of law, or in the sphere of economics, which is concerned with the means of physical existence, but only in the sphere of culture.

A social structure in which this principle of function and hierarchy of values was observed would enable men and women to know their place and responsibilities in the world, social confusion would be cleared up, they would find it easy to cultivate a sense of usefulness, and to recognize what is most worth while; and, though they would be under the authority of functional obligations, they would be freed from the danger of authoritarianism in any form. That is because functionalization is for the sake of social action and the articulation of things; the entire subjective sphere remains free.

I propose to try to apply the principle of function to a new social structure for Britain. Its importance is that it affects everybody, will change everybody's standing, and will open new opportunities to every one without exception. This may rightly be called a New Order; for not only will it be a revolution, but, as functional organization means the organization of functions rather than the organization of persons, who are organized through functions, it will be a revolution in freedom. The British New Order will be the functional organization of society in liberty and equality, the alternative to compulsion and authoritarianism, for voluntary obligations and personal responsibility will be its mainspring. It will be the alternative to every form of state socialism, for its principles are decentralization and devolution, the separation of functions for the sake of social integrity.

### III. THE SOVEREIGN STATE

Before proceeding further a brief reference is necessary to the effect of the functional principle on the sovereign state. In the functional society, the state,

it has been suggested, is one organ among others, an important and honoured organ, certainly, for it represents in the social body the place of the heart in the physical body; but its authority holds only within the spheres of justice and administration, within which spheres it acts for the sake of the whole. To replace the sovereignty of the state there is a nominal or spiritual sovereign, not an organ, but something that represents the whole, which has no power, and is the symbol of the voluntary co-operation of the parts; it is called the Senate, of which an account will be given later.

A central problem of our age is the sovereign state. This is so keenly felt that there is an unmistakable disposition to reach a solution by the mere repudiation of sovereignty; but the solution is not so easily arrived at. While it is agreed that no progress can be made in international relations so long as the sovereign state remains, it is not so clearly seen that the reconstruction of the national life is equally dependent upon its removal. The League of Nations broke down because what it existed to do could not be harmonized with national sovereignty; for neither disarmament nor federation, nor any association or pact, had reality while sovereignty was unsundered. Similarly in the nations themselves, disharmony between classes, the existence of gross inequalities, the absence of a reconciling spirit were due to the dominating element, which was nothing else but state sovereignty. Yet sovereignty is largely a fiction; for in every democratic state it is distributed, and where it finally resides, if anywhere, is a favourite subject of dispute. All the same it has the force of reality when it is desired to assume its existence, and every tyranny lays hold upon its shadow and converts it into substance.

Aristotle said: 'In the multitude of rulers there is evil, therefore let there be one prince.' What is certain is that no state that possesses virility will abandon its prince, which is to hand over its sovereignty not even to a group of powers or to a federation; such proposals are indisputable evidence of the exhaustion of national vigour. What then is to be done? If sovereignty is not capable of being surrendered by a strong state, it can, in historic language, 'wither away.' The withering away of sovereignty is the effect of the functional principle.

All federations on the Swiss model are weak through unsolved questions of sovereignty. And new proposals for federation break down on the question of who is to possess the sovereignty of the federation. Sovereignty must disappear from states before they federate, which will be the effect of the functionalization of their national structure; there is no other answer to the question. The seeds of war lie fertile in the absoluteness of national sovereignty; for sovereignty means not merely that a nation alone knows what is good for itself, and that in imposing that good upon its own members it knows no limits, but it contains implicitly the justification for imposing upon other states the good it has chosen for itself. National sovereignty inevitably interferes with co-operation within states, and makes impossible the growth of organs through which international co-operation can be effected. Federation in the New Order means that as in the nation there will be no organ with absolute jurisdiction, only authority within functional institutions, so internationally there will be no sovereign power, only function.

State sovereignty is a modern idea belonging to the

nationalism of the fifteenth century and to the refusal to allow the Church the final word. Church and state had held the balance of power for a thousand years, sometimes in the same hand, but the bonds of feudalism were broken by national spirit so strong and audacious that the social organism was split not to be united again unless it be in the New Order. The split in the social organism, which we call historically the Renaissance and the Reformation, was necessary for the sake of liberty and social development, but none the less it has been the origin of wars and social conflicts and the cause too of the deepening split in the very soul of man. To heal the division between science and religion, liberty and authority, man and society, the present and the future, is the task of the new age. This will be accomplished, I am contending, through the recognition of the functional principle. The creation of functional organs within the nation and the removal of sovereign power makes co-operation practicable internationally.

#### IV. A NEW SOCIAL CONSCIENCE

I anticipate the criticism that with no sole power danger may arise from the refusal to co-operate. Let it be admitted that every social organism is liable to disease, to become unbalanced, and to disintegrate. Refusal to co-operate if persisted in would result in anarchy, a danger that exists in all communities, for it is nothing less than the moral right to rebel. But may not the danger be considered to be less in a functional society, in which the risk of rebellion is reduced through the variety of duties defined and recognized, its parts more firmly integrated because more vitally organic, than in any other form of society? Social integration

in the functional order will be produced through the number and complexity of functional associations and the multiplicity of duties that will fall upon individuals requiring their participation in the work of the social organs. These responsibilities will make for solidarity. Further, as clarity of objects is a necessary feature of the functional society, to maintain the balance of functions would be the task not only of statesmanship, but of all intelligent men, in their social activities, for the well-being of the commonwealth would reside in it. This was recognized by de Maeztu, who said:

This balance of power is difficult to reach and preserve, because every one of the powers inevitably aspires to hegemony. The balance is maintained only at the price of eternal vigilance. But have we not to pay the same price for friendship, for health, for talent, and for all the goods of life, if we wish to prolong their duration beyond the limits of their own spontaneity?

A new individual and social conscience can be expected to develop in the New Order through which social criticism will be put upon a higher level than has yet been known, for criticism will be not merely formal and innocuous, or partisan and prejudiced, but a recognized method of intercourse. People will not be afraid of outspoken criticism. Institutions will be subject to constant challenge, and so will individuals.

It is true that associations do not behave as do individuals, and that the morality of groups is not the same as that of individuals. Reinhold Niebuhr, in America, has discussed this and given good reasons for it; but he provides the explanation when he says that the difficulty of maintaining the moral object of an association 'is due much more to the obscurity of the end for which the group exists' than to any

other factor. He goes on in words that deserve to be recalled:

If the question were often asked, what is the end to which our association exists? and the actions of the group were related to the answer of the question, there would be much less difficulty in maintaining the morality of the group. The group becomes unmoral not so much because of the absence of power to enforce its laws, but because those laws are forgotten, and the reason for the existence of the group is obscured by the attempt to make it serve some other objects than those for which it was formed.

Here is the solution not only to the problem of the excessive egotism and selfishness of associations, but to their inherent weakness and inefficiency—it is in the clarity of definition of their aims, in the recognition of the social value of their goal, and in the balance of organs. In the New Order the first social principle will be to establish the functions of the organs and the various associations, and the second principle will be to maintain the health of associations by the practice of continuous criticism.

Through the recognition of the functional principle the vital impulses of men and women will have extended scope, the conviction will be restored that life is worth living, that the recurring problems of society can be grappled with, and that the effort to create a new social order deserves to be made. If it be true that the meaning of life is realized only in association, as so many men have believed, then in the functional society, which is association in the highest degree, a satisfactory meaning to individual life will be found, and social life will gain entirely new vigour and purpose.





## PART II

# THE NEW ORDER

*We are at once more experienced and more truly united than any people in the world. It may well be that the most glorious chapters of our history are yet to be written. Indeed, the very problems and dangers that encompass us and our country ought to make English men and women of this generation glad to be here at such a time. We ought to rejoice at the responsibilities with which destiny has honoured us, and be proud that we are guardians of our country in an age when her life is at stake.*

THE RIGHT HON. WINSTON CHURCHILL,  
24th April 1933

*The right to guide the course of world history is the noblest prize of victory. . . . I hope—indeed I pray—that we shall not be found unworthy of our victory, if after trial and tribulation it is granted to us.*

THE RIGHT HON. WINSTON CHURCHILL,  
20th August 1940



## Chapter III

### THE STATE

*. . . the English people have come to regard themselves, not merely as the fortunate possessors of a rich heritage of Order and Freedom, but also as trustees of a property to be held for the common benefit of all mankind. They hold themselves to be charged with a unique responsibility—to be stewards, in a special sense, of the mystery of government. If stewards indeed they are, it is required of them that they be found faithful. The fruits of Freedom, hardly won, may not, without grave and serious deliberation, be dissipated even to purchase Order; nor may the blessings of Order be surrendered in the vain pursuit of the shadow of Freedom.*

SIR JOHN A. R. MARRIOTT

IN this and the three following chapters I outline the structure of a New British State, Society, and Nation, with Senate and Prince, as an example of the New Order. I offer these suggestions for the consideration of all who realize that there can be no escape from the demand for a new world order, towards which a new national order, and in particular a new British order, must be a preliminary step, in which the problems not only of our own social order and those of our allies, but also of our enemies, may be solved. If I use somewhat frequently in my description the active 'will' instead of the more conditional 'should,' it is for the sake of definiteness of outline, not with the intention of being dogmatic, which is far from my thoughts, nor because I suppose that there is no other form that the New Order could take to satisfy the imperative need for change. And I hope the reader will have these qualifications in mind.

By the state is meant the community united by

history and tradition, with its own institutions and government. The object of the state is to maintain order and justice within its territory for the common good. The state fulfils its function through the instruments of the legislature, the judiciary, and the government. The state is concerned with forms, and its aim is to maintain relations of goodwill so as to circulate the good of the community to the farthest extremities of its boundaries. The state holds the central place in the social order, and statesmanship is among the highest of social functions.

#### I. THE BRITISH STATE

At the present time in Great Britain the state consists of the king and his Privy Council, the elected House of Commons, the hereditary House of Lords, the departments of state, the judicature, and the various local government bodies. There is no written constitution; in its place there are recognized traditions, customary rules, and certain fundamental laws. The most important of these laws are Magna Charta, or the Great Charter (1215), which secured personal liberty and equal administration of justice, the Habeas Corpus Act (1679), which secured liberty of person, and the Bill of Rights (1689), which forbade the suspension of laws by royal authority and the levying of money without the consent of Parliament, and secured freedom of elections, freedom of speech, and other matters. There are many other Acts of some importance, among them the Parliament Act (1911), which got rid of the veto of the House of Lords, and there is the system of administrative law recently developed, known to some lawyers as the 'New Despotism.'

The government consists of a Cabinet, which comprises the principal ministers of state, technically a committee of the Privy Council, together with the junior ministers, and is dependent upon the support of the House of Commons. In the last pre-War government the total number of the administration was about seventy, of whom twenty formed the Cabinet. Subsidiary but important aspects of government are the civil service, called the 'bureaucracy,' and the local government system.

To convert the British state into a functional organ would not be an insuperable task. It would mean the separation of economic and cultural from civic and political objects, devolving upon an economic organ those functions of the state now concerned with industry and trade, and upon a cultural organ those functions now concerned with education, health, art, and science. This would leave the state strictly to its ancient functions of legislation, justice, and order.

## II. A FUNCTIONAL SOCIAL ORDER

The functionalizing of the British social order would involve certain changes in Parliament, the reorganization of the state departments and the machinery of government, and legislative action setting up the of Economic Chamber and the Cultural Chamber, defining their powers and duties, and providing for their electoral constitution. It is possible to contemplate such proposals because the British Constitution has infinite capacity for change without self-injury; it can transform itself and yet retain its character.

I am not intending to argue that change in the present Parliamentary system is necessary, for no one

who has studied the working of the system has denied it, and no one has disputed its urgency or doubted that it must be far-reaching. The discussion of the serious failure of Parliament to meet modern needs has gone on for years, and the inefficiency, clumsiness, wastefulness, and undemocratic nature of the legislative assembly, and the unfitness of the governmental machine for the work it has to do, are incontrovertible facts. An experienced Conservative statesman said years ago: 'If we are to enable the people of these islands to replan their social life, government must begin by replanning the structure of its legislation and administration, and that replanning must begin at the centre in the reform of Parliament and the Cabinet.' Reports have frequently been prepared by Parliament itself on what should be done, of which the *Haldane Report on the Machinery of Government* for the Ministry of Reconstruction, in 1918, was perhaps the most important; but apart from the extension of the franchise to women and the setting up of the Ministry of Health, nothing of a constructive nature has since been done to deal with the expanding problems of Parliament and central and local government.

An immense inertia seems to have overcome the political energies of the country since the First World War. The condition into which relations with Ireland were permitted to fall is one piece of evidence among many of political ineptitude. No government was prepared to face the thankless task of the reform of Parliament and the governmental machine. We may recall that throughout the nineteenth century and well into the twentieth, Parliament in Britain had the settled features of the landscape. In 1911 the Parliament Act had shown that the landscape was not

permanent, and the country was reminded of what the candid Walter Bagehot had written forty years earlier, 'that politics are made in time and place—institutions are shifting things to be tried by and adjusted to the conditions of a mutable world—that, in fact, politics are but a piece of business—to be determined in every case by the exact exigencies of that case; in plain English—by sense and circumstance.' No one has put the characteristic English attitude better. Though the First World War gave a heavy blow to national complacency, during the years that followed the armistice, under the influence of statesmen lacking moral purpose, Parliament was incapable of creative action and sank ever lower in public regard. The shock given to the constitution in 1931, when the Labour Government collapsed and a Committee of Public Safety had to be formed, was deeply felt, but did not stir up the nation. Even the abdication of King Edward VIII in 1936 did not end national inactivity. Neither the threat of war nor its actual outbreak aroused the national spirit, and not until disaster was imminent in May 1940 did the nation realize where it stood, and at long last invest itself with native resolution and purpose. Now the nation is awake, ready for any change, capable we may be sure of nothing short of the bravest deeds in the political field to match the daring and resource of our young men in the air.

In New Britain, Parliament should consist of three functional chambers, of which the Civic Chamber should continue the specific characteristics of the House of Commons, possessing power and jurisdiction for the making of laws. That Chamber would retain the age-long rules and forms of the House of Commons, and should still retain that honourable name. The other



two Chambers would have rights and duties concerned with other functions, and should not be legislative bodies, though within the powers conferred upon them they should have their own rules, orders, and practices for the conduct of economic and cultural affairs. The House of Lords should be transformed into the Senate, the functions of which are described in a separate chapter, where the position of the monarchy as representative of the nation and essential to the Senate is also dealt with.

### III. THE HOUSE OF COMMONS, OR POLITICAL CHAMBER

There is no question more debatable than the extent to which the House of Commons as now constituted represents public opinion; but although the revision of electoral areas is necessary, including, as I shall discuss later, the creation of regional authorities, a new electoral system is not proposed here. The present method of election by all persons over twenty-one could stand, but the double vote should be abolished and constituencies should be civic units, not arbitrary divisions, and should return usually more than one member. The changes under the new system will greatly affect the selection and personnel of parliamentary candidates and may be expected to alter entirely not merely the composition of Parliament but the public attitude to elections. During the transition period, however, Parliament will necessarily retain its existing characteristics, including its shortcomings; but as it is contemplated that some part of the new structure will be set up during the War, and to enable the New Order to be established as part of the actual terms of peace, Parliament cannot be allowed to revert to its

previous lethargy and indifference. Let me add that in New Britain there are reasons for favouring a system of proportional representation.

The present membership of the House of Commons is six hundred and fifteen, representing the electorate of England and Wales, Scotland, and Northern Ireland, the number of constituencies being five hundred and ninety-five. There are twelve university members, who will not be retained as the Universities will form part of the cultural system.

I propose that no one under the age of forty-nine should be qualified to be a candidate for election, that candidates should not actively be engaged in any economic pursuit, but if possessed of a civic or cultural occupation should cease to receive their occupational pay, and that candidates should be required to be on the register in their constituencies. A candidate, therefore, would be known in the constituency, and would not be introduced from the outside by a party organization. Membership of the House should be a whole-time occupation, and salaried on that basis. The reason for excluding young men and women from membership of the House is that they should be required to devote their lives to economic, cultural, or domestic affairs before taking up political representation. The work of Parliament is consultation, discussion, and decision, which is shortly described as 'to talk,' which is not proper work for the energetic young, who should be actively engaged in different productive ways. This does not imply that politics is of no interest to young people; on the contrary, education in politics should form part of the training of youth; but while young men and women should freely engage in political discussion they should not devote

themselves to political work, except in its administrative fields in the civil service. Youth as such should have its own representation, which I will discuss later. Political representation should be regarded as a sphere for men and women when they have finished their economic tasks, and when they can be presumed to have gained wisdom and experience in personal relations.

There will be no representation of economic interests in the House of Commons, and the present system of financial, industrial, professional, trade, and trade union interests having their representatives in the House will become a thing of the past. The work of the House will be lightened, it will be possible for members to feel that they are something more than voting machines, and the House will sit during the day, not at night.

Bills will be presented by the government, and by private members as at present, and on behalf of the other two Chambers. The drafting of Bills, one of the most important duties of the legislature, should be done by small committees; when Bills have been given a first reading by the House they should go to Select Committees. The present system of handling Bills needs considerable amendment, and with this comment I leave the subject. No legislation should be enacted affecting the other Chambers or their constitution, rights, or powers, without the agreement of the respective Chamber. If there should be failure to agree, a joint session of equal numbers of the House of Commons and the other Chamber to be held, when, should agreement still be impossible, a referendum of the electorate should be taken. The referendum should be reserved for unresolved disagreements between the

Chambers, except on money matters, on which the Senate should arbitrate.

All Bills will go to the Senate, one of whose duties will be to see that the procedure relating to legislation affecting the other Chambers is observed. Amendments to Bills made by the Senate will be considered by the House of Commons, and, of course, also by the other Chambers should they be affected; but the provisions of the Parliament Act (1911) will apply except that the period of delay will be curtailed.

#### IV. THE GOVERNMENT

The government being a political organ will not include members of the Economic or Cultural Chambers, neither will it include members of the Senate. It will consist of the Prime Minister, ministers in charge of state departments, the Chancellor of the Exchequer, Minister of Civic Planning, Minister of Defence, Commonwealth Secretary, External Affairs Secretary, Minister of Pensions, Secretary of the Civil Service, and the Attorney-General, who, together with ministers without portfolio, will form the Cabinet. Additional ministers will be the Parliamentary Secretaries. As the number of departments will be less than at present all departmental heads should be of Cabinet rank. The principle of collective Cabinet responsibility should be continued.

The government will require the confidence of the House and a defeat on major policy would necessitate resignation. An appeal to the country should depend upon the advice given by the government to the king as at present.

Party government will not continue in New Britain.

After the removal of financial, land, industrial, trading, and trade union interests from the House of Commons, it is probable that existing parties will have no reason for continued existence. Under the functional social order it can be expected that a large number of groups interested in different aspects of civic affairs will be formed to work together and in opposition. The principle of National Government necessary in war will be possible in peace, and, during the long period of reconstruction after the War, will be essential to social order. Political conflict under the Party system was largely fictitious, for the successful Parliamentary working of the system depended upon there being two parties that were in fundamental accord. The value of the Party system was that it provided an alternative government, which gave stability to the state. But the Party system had grievous defects, inhibiting the actions of individual members through the despotism of Party rule, and seriously interfering with the freedom of Parliament. Its removal was long overdue, and awaited the existence of an alternative. This alternative will be found in the integrating effect of the New Order, in which stability will be more firmly based than on mere Party, and an official opposition will have no function; for criticism of the government will not be subject to tactical manœuvres to secure its defeat. The game of politics will cease to be that of ins and outs, politics will acquire a different style, as well as being relieved from pressure by outside influences.

## V. DEPARTMENTAL COMMITTEES

Government is largely a matter of administration, and while the departments of state will be in the hands of responsible ministers, to bring the members of the House into contact with practical problems of administration, Departmental Committees should be formed to consider with the ministers and heads of the departments questions of policy affecting the work of each ministry. These committees should not in any sense be managing committees, nor should they relieve ministers of responsibility, but they would give the opportunity for members to become acquainted with the working of the departments, and for ministers to discuss questions more fully and informally than is possible publicly in the House. The formation of committees to consider departmental policy is no new thing, though such committees have hitherto been Government Committees rather than Parliamentary Committees, and have usually been composed of experts not members of the House. The Economic Advisory Committee set up by Ramsay MacDonald is an example, continued during the War as an Economic Survey; there are Ministerial Committees on Military Operations and Intelligence, Home Policy, Civil Defence, and other subjects; and an important Scientific Advisory Committee was appointed in October 1940 with a minister as chairman, the members of the committee being members of the Royal Society. Parliament has its own committees, of which the Select Committee on National Expenditure is the best known. The proposal for Departmental Committees has nothing in common with previous practice, however.

## VI. NATIONAL FINANCE

The House of Commons will still be responsible for the national finances. Financial control is one of the cherished functions of the House, and it should be made more real than at present. It will be borne in mind that the financial processes of the state will be considerably altered in New Britain. The Economic Chamber will be the source of national revenue, and taxation of individuals except for local purposes will be replaced by assessments upon the economic guilds. Income tax will, therefore, be abolished in its present form; there will not be the wide disparity of incomes to demand adjustment that exists in the old order, and, instead of income being paid to individuals and afterwards, by an elaborate process, taken back from them, revenue will be collected at the source. Stamp duties and customs and excise duties will likewise be removed. The fact that the incidence of taxation will fall on corporations, not on individuals, need not be expected to remove the sense of responsibility that should be felt for keeping the state going, for the reason that every one will at some time or other play a part in the economic process, and in the production of wealth for the state.

Expenditure for civic, economic, and cultural purposes will be submitted to, and considered by, the House of Commons, and be subject to its approval. The departments of state will not be the great spending departments in the New Order, though they will have important financial demands, but the Cultural Chamber will dispose of most of the public revenue. The Budgets of the Chambers, having been prepared by the

Finance Department of each Chamber, will be incorporated in the State Budget by the Treasury, submitted annually to the House of Commons, which will thus have before it every year the general lines of the entire national programme.

#### VII. THE MONETARY SYSTEM

It will be essential for a new monetary system to be adopted, and for the money power of the old order to be brought to an end. During the War money has lost its previous independence, and has become narrowly restricted in function. The part that it played in national and international affairs is in abeyance; it is proposed that it should not be restored. Without entering upon a discussion of monetary theory, I make the following suggestions in the briefest possible manner. Money in the New Order must be kept strictly to its function as the medium of exchange; it must no longer be a commodity, so that there will be no trading in it and no money market. I do not rehearse the arguments against the re-establishment of the monetary system of the old order: they may be summarized in a sentence, that money as a commodity places the social order at the mercy of those who gain control of it, that financial interests are invariably anti-social, and that such interests are incompatible with general economic prosperity. As money represents goods and services, and as goods are perishable and services have to be maintained, money that is unused should not retain its value, so that there should be a periodical decrease in all uncirculated money until it ultimately becomes worthless. Money represents what the owner of it was entitled to receive at the time the money was



handed to him. It must, therefore, either be expended on goods and services or returned to the bank until so required, the function of the bank being to record that the owner of the money has definitely postponed his entitled consumption of goods and services. To make new money valuable and to see that old money loses its value is an important civic duty owed to the economic realm. Unless that duty is discharged the burden upon the economic system becomes unequalized and intolerable, and justice is not done between men. Economic injustice arises when the claims of money become superior to other claims.

Money deposited at the bank can be drawn upon, the bank making a charge for its services; no interest would be payable. The bank will be the money accounting association of the economic system, and bank deposits will be employed as credits for the guilds. Banking will not be under state control, neither, of course, will economic policy, except in its general bearing upon the justice of relationships between individuals and groups, which is a civic concern. Credit and investment will be discussed in the chapter on society.

Money will be issued as pay, pensions, compensations, and national dividend, and to finance new and existing enterprises. What is called the management of money will consist in keeping available in circulation a total sum sufficient to distribute the total of goods and services provided in the entire social order for which money is needed. In the economic system, as between the guilds, money will not usually be required, as the transfer from one guild to another can be made by book entry; but the private enterprise element in the economic system will require money payments between it and the guilds. The quantity of money available

must always be sufficient to purchase the total of consumers' goods and services and the capital goods provided to or by private enterprise. Prices and the quantities of commodities will be controlled in the economic system through the Economic Planning and Price Fixing Boards. The amount of new money to be issued will, however, not be under economic control, nor indeed under the control of the civic authority, but will be controlled by an independent scientific authority.

The money required for the Budget, which will contain the total requirements of the three Chambers, will be calculated by the Treasury, but the actual amount of money that the economic system requires and makes possible will be calculated by the Bureau of Standards and Statistics. The money-creating power will not reside in the House of Commons, but in the Bureau, which will be independent of all the Chambers, under the control of the Senate, so that the actual manufacture of money, or the mint, will remain the prerogative of the Crown. The Bureau will be constituted under the legislation of the House of Commons, which will determine the principles on which it will work, but the House will have no power to interfere with the decisions of the Bureau. Having ascertained what money resources are available from time to time, the Bureau will provide the new money, and dispose of it to the Treasury. The Bureau will have no power of monetary issue, which will be exclusively a Treasury concern.

## VIII. THE NATIONAL DIVIDEND

One form in which money will be distributed is that of the National Dividend. This will be a money payment to or on behalf of every citizen from the date of birth, representing a share in the national wealth sufficient to maintain a minimum standard of existence. It is the balance of social production after the distribution of pay to workers, the issue of pensions, and provision for capital goods. It will be liable to vary with the wealth of society, but the honour of the economic system will be involved in maintaining it. The National Dividend will not be likely ever to exceed a bare minimum, because the title to it will be not work or merit, but citizenship; the increase of wealth will be used for the increase of leisure, in which workers will share, and of amenities in which the entire community will share.

The National Dividend will take the place of the present old age, widows', and children's pensions, though pensions will be payable through the civic, economic, and cultural guilds to their retired members and their dependants in accordance with their functional occupations. It will also be a substitute for the proposed family allowance. One-third of the standard rate will be paid to the parent or guardian of each child from birth to the age of fourteen, two-thirds from fourteen to twenty-one, and the full amount will be paid direct at the age of twenty-one. The National Dividend will be inalienable, and will be payable so long as citizenship continues. †

The National Dividend should be issued as a special form of money available only for certain necessities, such as food, clothing, rent, and transport, to be spent

within a specified time, and not capable of being saved or banked.

I do not discuss the question of the economic practicability of the National Dividend. To do so at all adequately would take more space than I can spare. I will ask the reader to consider the large number of people in the present order who perform no economic functions, yet possess incomes or are supported out of the incomes of others—children, invalids, old people, wives, relations, beggars, prisoners, and the independent classes, and to consider also the pensions, public assistance, unemployed pay, housing subsidies, food subsidies, and private charity for the amelioration of the lot of the poor. The economic justification for the National Dividend is the existence of hyper-production, the need to secure the distribution of what is or can be produced, and the observance of the principle of equality, which underlies the economic system. There is civic justification in the fact that it is the inheritance into which every citizen enters, that it maintains the spirit of independence, and that in it is observed the principle of fraternity, which underlies the political system. And there is cultural justification in the fact that it will set men free to follow their star, and to cultivate spiritual interests, and that in it is observed the principle of liberty, which underlies the cultural system.

The adoption of the principle of the National Dividend will possibly have to be in stages, the children's and women's allowances coming first. Some indication must be given of the possible weekly figure that should be paid, and of the total amount likely to be involved. Suppose the National Dividend to be 20s. a week for each adult man or woman: it could

hardly be less. Adjustment might be made for married people living together, the amount paid to each being reduced to 15s. weekly; 6s. 8d. to be paid in respect of each child up to fourteen, and 13s. 4d. for each child from fourteen to twenty-one. A couple living together without children would receive 30s. a week between them; a family with two children under fourteen would have £2 3s. 4d.; a family with five children, one over fourteen, would have £3 3s. 4d. These seem substantial figures when it is considered that before the War the average wage for a skilled man in the large towns was from £3 to £3 10s. a week; for unskilled men £2 to £2 10s. a week; less in the small towns, and much less in the rural districts. But let us remember, still in pre-War terms, that, according to Sir John Orr, one-half the entire population and three-quarters of the children of the country were underfed, that they had inadequate supplies of other necessities of life, and that only a small proportion of the population of Great Britain had its needs fully met. Since the War the position has changed for the better; it has changed substantially in other respects too, and I do not lose sight of the possibility that before the War ends the principle of a basic income for every one may have to be adopted, which will not be remote from the principle of the National Dividend.

The payment of the National Dividend will mean that the general income standard will be appreciably raised, which, in fact, is a national need. The curse of poverty is the greatest evil that afflicts the social order, and is the cause of ill health, crime, and many other evils. To lift that curse would bring untold benefits. The National Dividend would, for instance, make possible the prohibition of child labour, and all labour

of young people under twenty-one; it would remove the compulsion upon married women to supplement the family income by charring; it would, in fact, give freedom to women. The National Dividend would enable the poet and artist to live. No one would need to starve. Though it would provide only a bare living, the National Dividend would be a real sharing-out, and establish an economic minimum to which every one in Britain would have a right.

On the basis indicated above, the total amount required for the National Dividend would be approximately £1,725 millions per annum, or rather more than four and three-quarter million pounds a day, less than half the government's War expenditure during the earlier period of 1941, more than half as much again as the total governmental pre-War expenditure (£1,150 millions), and rather less than one-third of the total pre-War national income (£5,300 millions). But by the beginning of 1941 the national income had increased by upwards of £2,000 millions, and these comparisons have not much significance without appreciation of the fact that the economic basis of the New Order will be entirely different from that of the old.

As every one will be entitled to the National Dividend, it may be argued that its payment will encourage idleness. It is true that there is always a number of people who have no inclination to work, and that there will be indolent, thriftless, and immoral people even in New Britain with its new spirit of social obligation, who may be content to take the National Dividend and to render no return. The National Dividend will certainly encourage independence, for it will bestow upon children, wives, and the workless economic rights that they do not enjoy at present; but

it is too much to argue that in a free society, educated in the principles of personal responsibility, independence will increase idleness. The National Dividend will justify the passing of laws to make a certain minimum of work obligatory, and, as will be seen later, the proposal is made that all persons between the ages of twenty-one and twenty-eight shall be required to do a certain amount of economic work. But the National Dividend will be a symbol of obligations that citizens owe to each other, the tangible evidence of interdependence, and it should increase the sense of duty. Let us remember that although men are naturally lazy, it takes little inducement to set them to work, for, so contradictory is human nature, they are also naturally industrious.

#### IX. LAND

A necessary preliminary stage will be for all land, whether built on or not, to become national property. Buildings in occupation will remain personal property, subject to public requirements, and will form part of the property of the guilds and of local authorities. The method of compensation to land owners will be to maintain incomes at the date of expropriation during the life of the owner; mortgages and charges upon land will be treated in the same manner; but this subject is discussed more fully in the next chapter. Land is a civic interest, for land belongs to the sphere of rights; holdings in land have always been known as rights. The civic function in relation to land is to define and guard rights, not to take part in the economic use of land, which is an economic matter. Land rights will be granted by the Treasury on lease to guilds, local authorities, and

private persons for their own use, and rents will be fixed by valuation, having regard to the use to which the land is to be put. The Land Registry will be a department of the Treasury, which will also be responsible for valuations. Land interests will not come into the economic sphere, but land development will do so, as well as mining, forestry, and agriculture. There will be no possibility of land speculation in New Britain, and this hidden burden on the community, the extent of which has never been calculated, but is undoubtedly enormous, will be ended, and the greatest obstacle to planning will be removed.

One of the effects of the bombing of cities and the dispersal of population during the War will be changes in the use of land, and speculation will have new profitable fields opened to it. Speculators in bombed town sites armed with the legal rights of ownership may be formidable powers against change. This and other difficulties that will arise in connection with rebuilding will only be overcome by the public ownership of all land.

#### X. PRIVATE PROPERTY

A new definition will have to be given to private property, which will in future consist of those things which a man and his family can enjoy. What are legally termed personal chattels constitute the real essence of private property, belonging as they do to the intimacies of life, in the selection and cherishing of which personality is expressed. There will be no private property in land or in the means of production. Private property in the sense of the ownership of capital has become impersonal and anonymous, and



has lost the qualities of personal direction that it once had. The personal and family protection, which has hitherto been a usual justification of ownership, will be needed no more. Industry and the distribution of commodities will be a social affair, and although, as will be explained later, private enterprise in industry will be encouraged, the exploitation of labour and capital, which has been the special characteristic of private property in industry, will cease. There will be no ownership of stocks, shares, mortgages, or debt in any form, state, municipal, or industrial. All economic processes will be under guild control, and private interest in industry will be possible only in small personal enterprises, subject to guild regulation. Money deposited in a bank will be owned, but no interest will be receivable, and no system of debt will be possible. Therefore large fortunes will not be created. A man's house, garden, furniture, pictures, books, and other personal effects will be his own to dispose of as he pleases. In fact, there will be a greater diffusion of property than has hitherto existed, for the majority of people own very little.

In the New Order, therefore, private property will consist of wealth in the sense of production that is consumable, and to a small extent of deferred consumption. Capital being production that is not consumed or consumable will not become private property. A house, or picture, or motor car is consumed in the above sense. Capital should be socially owned, because it represents consumption socially forgone, for production that goes into capital goods is never consumed. Capital is for the sake of future production. Its meaning and justification lie in the fact that by its means production becomes possible or is increased, and

if increased production is not attained capital is wasted. Therefore the production and care of capital are to be recognized as social activities, which must be subject to the economic planning authority to be presently described. Private saving is not a virtue, but public saving may be. This sounds highly heterodox doctrine, and is not, of course, doctrine for the present moment of war, the irrationality of which is not only in its destructiveness, but that it makes private saving imperative and public saving impossible.

#### XI. INHERITANCE

There will be no death duties in New Britain, neither will inheritance continue in its present form. No fortunes will be bequeathed, because there will be no accumulation of wealth in private hands, and there will not be the need to make provision for the education and livelihood of families. Bequest and inheritance will apply to personal property, including money; but as interests in land will be for the term of a life or lives bequests will be subject to conditions intended to prevent individuals from accumulating leasehold interests, though a widow should continue her husband's interest in the house she occupies, should she so desire. Otherwise the problem of inheritance will not have the urgency it has to-day.

#### XII. LOCAL GOVERNMENT

Considerable changes in local government are to be contemplated. The local government system has been overloaded with responsibilities, and its machinery is inadequate for the duties falling upon it. The

local authorities have more and more been made agents of the central government, and in recent years local control and responsibility have rapidly diminished, with the consequence that local government has proved entirely unequal to what is demanded of it during the War, and will be utterly incapable of tackling the tasks of peace. The present form of local government, which is no more than two generations old, was brought into existence to deal with entirely different conditions from those that have arisen; neither in personnel nor in pervading spirit is its quality anything but mediocre, attracting only the smallest abilities. The last report on local government before the War, that of the Royal Commission on Local Government in the Tyneside area, 1937, showed the practical impossibility of dealing with the confusion of functions and gross inefficiency in administration. Greater London is the outstanding example of a region that lacks effective means of dealing with its common problems, and the result of the War has been to demonstrate, with painful and overwhelming force, what was obvious enough before, that London local government in its present form is unworkable.

Many of the duties of local authorities will pass to economic and cultural guilds in the New Order. The operation of such public services as water, electricity, gas, public transport, and aerodromes will fall within the sphere of economic guilds; education and certain branches of public health will be undertaken by cultural guilds. The work of local authorities will thus be devoted to civics in the true sense and the authorities will be enabled to give attention to problems for which they have hitherto had insufficient time. The personnel of local government needs extensive improvement,

which should be effected by local government officers being brought within the civil service, and by a larger number of people being available for election to these bodies under the new economic conditions. At present, local government is mainly left to nonentities, as few people of ability are disposed to give attention to the parish pump, which, unless one has personal interests to serve, is a thankless task.

A new conception of city life and of the value and significance of local government will become possible in New Britain. Civilization is based on civics, which recognizes civility, which creates the citizen, whose home is the city. The prophet of the city of the New Order was Patrick Geddes, who said:

The city functions as the specialized order of social transmission. It is a vehicle of acquired inheritance. It accumulates and embodies the cultural heritage of a region and combines it in some measure and kind with the cultural heritage of larger units, national, racial, religious, human. It stamps the resultant product upon each passing generation of its citizens.

The nucleus of the modern conception of the city is still to be found in the Greek idea of the city-state, which was a unit of social order capable of producing a civilization to which we owe Plato's *Republic* and Aristotle's *Politics*, the philosophic pattern of our Western Civilization. The actual form of our cities was the achievement of the Middle Ages, when the city became the focus of the life of the community in England and all over Europe. The medieval city was the centre of economic and cultural existence and the home of freedom. To it we owe science, art, learning, medicine, law, drama, and manners. The great days of Europe were the days when individual cities were

influential, and before national power became concentrated in metropolitan cities: of this, architecture, the supreme art of cities, is the witness; for architecture declined when localities diminished and the centre increased. 'To build cities and to live in them properly' is the great task of civilization, which in the last hundred years has been neglected, for our proudest cities to-day, save for a few ancient buildings in picturesque streets, exist as improvised industrial and trading camps set up by men who had something else to think about than how they could best live together.

The shameful and more than century-long decline of the city had been perceived but not arrested when the War started, yet even the degenerate city was still the heart and soul of civilization, and made community and association possible, though few people so regarded it. To get out of the city became, indeed, a social ambition. As an outcome of transport developments during the past two decades, the electrification of railways and the manufacture of cheap motor cars, large numbers of people left the cities to live in rural districts. This decentralizing tendency had results not socially advantageous, for a civilized life cannot be lived in straggling building estates spread along the roads like spiders' webs. It was found impossible before the War to control this exodus, or to turn it to any constructive ends, and the results were every year more deplorable. The War has put an end to it, and it should not be resumed. To have a city of one's own should belong to civic virtue.

Decentralization on an unprecedented scale has been found necessary during the War by government departments, industrial and administrative concerns,

with effects that are likely to be permanent. The New Order will turn to good account what the War has forced upon the nation, giving it both rational form and social meaning.

Let the city or town be regarded as the cherished centre of local life, when it will be found possible to revise local government by basing it upon the interaction between town and country characteristic of England before industrialization. The town with its surrounding countryside should become the unit of local government, and the federation of towns should create regions.

A glance at our present local government system shows that there are, in England and Wales, 476 rural districts, 581 urban districts, 300 municipal boroughs, 83 county boroughs, 61 administrative counties, 28 metropolitan boroughs, the City of London, and the London County Council. There is in addition a large number of joint and *ad hoc* authorities. A Royal Commission should be set up forthwith to revise local areas along the following lines: the rural districts to be incorporated in the adjoining urban districts or boroughs so that every town would include within its boundaries a rural area; the county councils to disappear, to be replaced by regions formed of groups of counties.

Rural districts comprise a number of parishes and scattered villages united for sanitary and rating purposes, sometimes covering a large area with no contact between its various parts, and possessing no sort of local patriotism, for which, however, local vested interests are sometimes mistaken. There is no justification for their continued existence, for they all have some dependence upon an urban district or ancient

borough, which acts as their market place and centre of administration. Civil parishes in country districts have reason for existence, and should be continued, but they should be brought into association with the local authorities.

Local authorities should continue to be housing authorities, co-ordinated under the regional authorities. Housing, which is one of the great tasks of local government, will assume even greater importance in the future. With the abolition of land speculation, the building of houses will fall upon local authorities to a greater extent than ever before, with advantage to civic order, and not less advantage to the national economy. Speculative house building will largely disappear, perhaps to be replaced by housing associations on a new scale. There will be an immense housing deficiency to be made good after the War; for houses that were considered satisfactory before the War, and have not been destroyed by the enemy, will be found inadequate, on the higher income levels that will exist, so that bold schemes of demolition and new building will be practicable as well as necessary. The lessons of the half-hearted housing schemes after the First World War will be remembered, and the housing needs of the country should be tackled with a great wealth of accumulated experience. Concentration of population in the cities will no longer be necessary, and the building of large blocks of flats, so much favoured by architects and some local authorities, will not be resumed. Houses will be for families; they will be planned and equipped with a completeness and regard for efficiency that will leave the best housing schemes of the pre-War period far behind.

## XIII. THE REGIONS

The new regions should be geographical and economic units capable of a measure of self-government. There have been a number of proposals for regionalization. C. B. Fawcett, in *The Provinces of England* (Williams & Norgate, 1919), proposed an admirably conceived regional scheme adopted as a basis by G. D. H. Cole in his *The Future of Local Government* (Cassell, 1921), which contains the best statement of the argument. Mr Cole proposed the division of England into nine political regions, having regard also to economic and cultural considerations. Mr Fawcett proposed twelve regions, and others would no doubt make other divisions: it is a matter to be left to the proposed Royal Commission. For the purpose of illustration I refer to Mr Cole's proposals, which are for the following regions with their regional capitals:

Northumbria (Newcastle)  
Lancastria (Manchester)  
Yorkshire (Leeds)  
West Midlands (Birmingham)  
West of England (Bristol)  
Wessex (Southampton)  
Metropolitan (London)  
East Midlands (Nottingham)  
Eastern Counties (Cambridge)

All proposals for regionalism and devolution, including Mr Cole's, have been influenced by the administration of municipal trading services and education; but as these will be removed from the sphere of civic



government in New Britain regionalism acquires an entirely new aspect. I may point out in passing that there will be no need for economic or cultural regions to have the same boundaries as those of the political regions, or the same capitals.

The regions should be governed by councils elected by the districts in the same manner as county council elections are now held.

The regions should be the authorities for town planning, main highways (except national highways, for which the Transport Board will be responsible), drainage, police, and fire protection, the boroughs and county boroughs to surrender their independent duties in these matters. There should be much more intimate contact between the regions and the districts than there is now between county councils and local authorities; the regional authorities should employ the local authorities as the administrative councils for the work that has to be done locally instead of setting up separate committees and appointing their own officials. The local authorities will remain the sanitary and housing authorities, and will make their own by-laws.

I do not regard the regions as legislative bodies, in the manner proposed in other schemes of political devolution, for the functional organization of society makes this unnecessary in its simplification of political issues. It should, however, be the duty of the proposed Royal Commission to consider what Parliamentary functions could advantageously be devolved upon the regional authorities to secure the utmost benefits of decentralization. There is no possibility that the proposed regional authorities will be devoid of important functions. Their duties will be to foster the development of the regions and to improve the standard of life

so far as it is affected by environment and to attend to the civic ordering of affairs. Town planning should be transferred from the local authorities to the region, and will be one of its most important functions. The urgent need of replanning and reconstruction throughout the country, the clearing out of overcrowded business and residential areas, the making of new thoroughfares and civic centres, the preservation and care of historic buildings, the increase of amenities, open spaces, and places of indoor and outdoor entertainment, amount to a great task, which will take generations to carry out. The importance of England as a world centre will increase after the War, and will demand civic treatment worthy of its place in world leadership.

When regarded not from the restricted point of view of the old order, but as a positive and creative activity, in which the characteristics of the New Order will be expressed, town planning will enter an entirely new phase. A modern science and art of city building will become possible. This will lead to a revival of architecture, which has lost much of its vitality, for having become subservient to finance and landlordism it is no longer a leader in the civic arts, but takes an inferior place. Building is the art of cities, and architects should be the artists of civic life. Architecture is the most inventive of the practical arts, and in the building and reconstruction of towns it has illimitable scope. Local feeling should find expression in choice of materials and their use, and every region should develop its own style.

The planning and building of new towns on a large scale will be work for regional authorities, and the sociological theory of the satellite town or garden city

will receive recognition. National parks will come under the regional councils, which will also have the guardianship of the amenities of the countryside.

Regional authorities will depend for their revenues upon the national budget, in which the regional budgets will be incorporated. The budgets of the local authorities will form part of the regional budget. I will not enter into a discussion upon local finance under the new system; it will have entirely new aspects, and the principles that have hitherto been observed will no longer apply. The subject must have separate treatment. A proportion of the improved rents of land in their areas should be allocated to the regional authorities, for some part of the improvement will be due to their activities. The rating system should be abolished, being replaced partially by a local income tax to which every one should be assessed, the proceeds of which should go to the local authorities for strictly local expenditure. Objections to schemes of local income tax that have hitherto had substance will disappear, for incomes will generally be in the nature of pay for services, and there should be no difficulty in making such pay taxable in the district in which the individual lives, the amenities of which he enjoys.

The economic and cultural guilds in their regional aspects will take pride and responsibility in contributing to regional and local life.

#### XIV. SCOTLAND AND WALES

I have hitherto dealt with the regionalization of England, but Wales and Scotland should obviously be regional areas to which the Welsh and Scottish offices of the central government should be transferred.

These regional areas will have national characteristics, which should be fostered. Existing nationalistic movements in these two countries have economic and cultural aims, which will be satisfied in the New Order, but civic aims should have full expression. The Welsh and Scottish members of the House of Commons should be members of the respective regional councils.

#### XV. IRELAND

Ireland is a more difficult problem, because of long and bitter differences between her and England; but the creation of Irish economic and cultural organs should go a long way towards establishing the unity of the British Isles. It is absurd that Ireland should be outside the unity of the home countries of the British Commonwealth, either as a quasi-dominion, or still more as an independent republic, just as it is absurd that she should be divided. The true status of Ireland is as part of the British Isles, and the geographical fact of her existence as an island, and the historical fact of her past conflicts with England, ought not to stand in the way of the development of Irish institutions in the future as an integral part of the British system. Ireland should be represented in the House of Commons in the same manner as the other parts of the British federation; she should have four regions with centres in Dublin, Cork, Limerick, and Belfast; she should have a federation of regions which should be the Irish Parliament, the members being the members of the regional councils, and upon this Parliament should be devolved extensive powers. But the future of Ireland depends upon her integration with Britain, for she forms part of a larger whole, and has a contribution

to make to the common interest as great as the other countries in the British family have to make to her. The proposal is no doubt fantastic regarded in itself; but in relation to the spirit of the new social order, to the new civilization that it represents, and with good will for the great change, it deserves consideration as a final solution of a hurtful domestic conflict. In recognition of Irish collaboration, a place of honour should be given to Ireland, indicating her rightful position in New Britain, which will be referred to in a later chapter.

#### XVI. LAW

As law is a specific civic function the administration of justice is a most important state activity. A Ministry of Justice should be set up in accordance with the recommendation in the Haldane Report. That Report proposed that the new ministry should be a converted Home Office, divested of its duties in relation to industry and taking over certain of the work of the Lord Chancellor's Office and the Treasury. A more far-reaching revision of the legal system is required. The Lord Chancellor should cease to be a political appointment. He should no longer be a member of the government, but should sit in the Senate as the constitutional adviser to Parliament, which includes all the three Chambers. He should be responsible for the appointment of Judges in consultation with a committee nominated by the Ministry of Justice, but the minister should be responsible for the administration of the courts.

Justice is a civic right and the law should be freely available to all citizens. The exercise of civil and

criminal justice requires the services of solicitors and barristers, who should function as guilds of lawyers. The Law Society and the Inns of Court are the nearest approximation among existing institutions to self-governing guilds; their conversion into actual civic guilds should present no difficulty, though it may be more convenient to retain them for the training, qualification, and discipline of their members and to create guilds for legal practice. Lawyers should receive pay from their guilds instead of fees from clients, and the service of the law should be performed without charge. Private property will be diminished in the New Order, and will no longer be a means of maintaining the legal profession in the prosperity which, in normal times, though not during war, has been its experience, nor will the large incomes of popular barristers be possible again. There will be less legal work, and the modernization of the law should be found possible when its archaic forms cease to be profitable. Those who practise the law should be held in honour for their civic virtues, and their pay should be generous for that reason; the prevailing distrust of lawyers is due to their privileged position, which cannot be maintained.

#### XVII. THE DEPARTMENTS OF STATE

The functional departments of state will be the Treasury and the Ministries of Planning, Defence, Justice, Local Government, the Commonwealth, External Affairs, and the Civil Service. These departments will now be considered. The present government departments and ministries which will be absorbed by them will be indicated; but it should be noted that not

all of the existing departments will need to be continued, and the fact that they are referred to does not mean their persistence.

(i) *The Treasury*

The Treasury will be responsible for supervising and controlling the financial operations of the social order. It will have no right of interference with the Economic or Cultural Chambers within the scope of their constitutions and budgets, but it will work in close association with their financial departments, and will have the fullest information upon the financial effects of their work and proposals. The importance of Treasury control of the financial system is that only by the free and uninterrupted working of the system can the distribution of goods and services take place throughout the social order. The principles of Treasury supervision will, however, be radically different from what they have been hitherto. Finance will not be the superior means of control that it is in the old order, neither will the finance officer be the hard-faced man he is at present. Certainly the Treasury will be concerned to prevent waste and to see that expenditure is properly made and corruption not made easy; but its main duty will be by means of the monetary system to see that no interruption occurs in the flow of goods and services in any part of the system, that no person or group goes short, and that the maximum consumption is maintained. Ruskin's dictum that 'the wealth of a nation is to be estimated only by what it consumes' will be a Treasury maxim.

Finance in New Britain will be the art of making money circulate, and financial economy will be the increase of its circulation. The great abilities of Treasury

officials will not in future be devoted to abstract and negative objects, or to debt manipulation, but to practical and positive ends. The functions of the Treasury will be:

(a) To collect the revenue. This will be mainly in the form of assessments upon the economic guilds and the rents of lands.

(b) To be responsible for the leasing of land rights, and to keep the register.

(c) To prepare the national budget.

(d) To arrange for the provision of new money by the Bureau of Standards and Statistics, the depreciation of issued money, and the return for cancellation of old money.

(e) To supervise the expenditure of the three Chambers.

(f) To prescribe the manner in which the accounts of the Chambers shall be kept.

(g) To advise the House of Commons as to the amount of the National Dividend and to provide for its distribution.

The Treasury has many miscellaneous functions, some of which will be distributed elsewhere; in particular it is responsible for the general regulation of the personnel of the civil service, but this should pass to a separate ministry, the functions of which are considered later.

*The Treasury; Board of Inland Revenue; Paymaster General; Public Works Loan Board; Commissioners of Woods, Forests, and Land Revenues; Comptroller and Auditor General; Exchequer and Audit Department; National Debt Office; Commissioner of Crown Lands; National Savings Committee; Tithe Redemption Commission; Land Registry; Savings Bank Department.*



(ii) *The Ministry of Planning*

Though planning is one of the favourite ideas of the time, Britain possesses no specific planning organs. Planning is for the sake of the organization of the life of the community, and will be one of the most important New Order activities. Economic and cultural planning will be the duties of the specific Chambers. State planning is mainly geographical and concerned with town planning. This includes the distribution of population, the location of industry, the areas of administrative regions and local government areas, and the siting and lay-out of towns and their extension; these large subjects call for the collaboration of the economic and cultural organs, for other considerations than the purely political must be taken account of. Therefore, a primary duty will be to plan the means of such collaboration, so that a Central Planning Board should be set up to co-ordinate the planning of the entire social order; reference to this Board will be made later.

The essence of civic planning is contained in the very idea of the city, and a new civic ideal will be needed in New Britain. In the decade before the War great efforts were being made to encourage regional and civic planning, to clear the slums, and to get some degree of order and dignity into our towns; but although the grossest insanitary evils were tackled, planning remained in a rudimentary stage, without inspiration, and having little actual effect upon building programmes. The lack of influence of town planning was due to the absence of accepted economic, aesthetic, and social standards in its practice, and although a certain amount of town planning jargon became current there existed

neither science nor art. Vested interests in land and civic administration were too strong to allow more than a minimum of town planning to be executed, and no social or other energies were able to overcome the obstacles to carrying out the vast number of schemes on paper that were prepared. In some respects this was fortunate, for few were worthy of execution, and although, to take a much publicized example, such proposals as those made in 1938 by Sir Charles Bressey, the eminent engineer, and Sir Edwin Lutyens, the famous architect, for the replanning of the highways of London, received unanimous praise from experts and public alike, this mercifully did not facilitate action, for those proposals took account of nothing but narrow considerations and represented the most superficial view of London's unique metropolitan functions. To continue town planning in the legalistic and technical aspects that it possessed before the War is out of the question; an entirely new conception of what is possible, as well as new technical means to achieve it, will have to be adopted. To decide upon what these should be should form the first duty of the Ministry of Planning.

Planning ought to be regarded as the least static of any social activity. Plans should be under continuous revision and so prepared and administered that redrawing is easy. Planning requires courage and provision, and for those reasons I have proposed that town planning should come out of the hands of local authorities and be made a regional duty; for local considerations are too narrow for the proper treatment of town planning problems.

The Ministry will give legalistic and administrative effect to planning policies agreed upon in collaboration

with the Economic and Cultural Planning departments through the Central Planning Board.

It may be noted that the Haldane *Report on the Machinery of Government* proposed the creation of a new Ministry of Research and Information concerned mainly with economic affairs, but such matters in the new social order will come within the scope of the Economic Chamber, otherwise the duties of such a Ministry would be discharged by the Ministry of Planning.

*The Ministry of Health (Town Planning Departments) ; Board of Agriculture (Ordnance Survey Department) ; Board of Education (Geological Survey) ; General Register Office ; The Government Actuary.*

### (iii) *The Ministry of Defence*

The navy, army, and air force will become of decreasing importance as the federal system is adopted throughout the world, but in the meantime these services must be kept in a high state of efficiency. There will be no need for separate departments of state for the particular services. The closest co-ordination of policy, staff work, strategy, personnel, and equipment should be brought about. The services should be re-organized, and although functional hierarchy and discipline should be maintained, the class distinctions, which are the basis of ranks in the existing services, having been abolished, together with much of the customary routine of the services, an end should be made of the callous waste that is tolerated of men and material, and of the low level of intelligence that is taken for granted in the lower ranks, and a true relationship of comradeship established. The military virtues of courage, resource, physical energy, and self-

sacrifice will remain the glory of the services and should set the standard for national effort. As always, physical training should be a feature of the services with which the general physical training of the population should be co-ordinated. The age limits for the service professions will be between 21 and 49, and the services will be among the obligatory activities in which young men between 21 and 28 will be required to engage.

*The Board of Admiralty ; War Office ; Air Ministry ; Ministry of Supply.*

(iv) *The Ministry of Justice*

The responsibility for the administration of Justice is at present shared between the Lord Chancellor, the Home Secretary, and the Treasury, and, in a minor degree, by the Attorney-General and the Chancellor of the Duchy of Lancaster. The Haldane Committee commented upon the inadequacy of the present organization, and in particular upon the fact that the Lord Chancellor lacks the machinery necessary for the performance of his many and important duties. The Home Office (less certain departments) should become the Ministry of Justice responsible for the administration of the courts of justice throughout the country, the county courts, prisoners, police, and other matters, including the prerogative of mercy, naturalization, etc. Revision of the law, codification, elimination of delays in litigation, and simplification of procedure are tasks awaiting this Ministry. The J.P. system should be superseded by stipendiary magistrates. The police force throughout the country should become a regionalized civic guild associated with the Civil Service Guild, and considerable improvements in police conditions effected. Prisons belong to the civic sphere,

but should come under the influence of the Cultural Chamber, so that prison treatment should be entirely revised, the punitive element reduced, and reformation made the chief aim.

The office of the Attorney-General should continue as legal adviser to the government, and he should be in charge of public prosecutions. He should continue to be a member of the Cabinet.

*The Home Office (with the exception of those departments relating to industry); Board of Trade (Companies Department, Bankruptcy Department, Standards Division); Registry of Friendly Societies.*

(v) *The Ministry of Local Government*

The Ministry of Local Government will be the co-ordinating element in the regional system, and will have the civic and local government functions of the Ministry of Health. The technical department of town planning will go to the Ministry of Planning, and health insurance and other medical duties, including the Board of Control, to the Cultural Chamber. The legal and administrative aspects of town planning will remain with the ministry, as well, of course, as housing. Possibly for a time, in view of the great amount of building to be done, the new Ministry of Works and Buildings should be kept in existence to work with the Ministry of Local Government. The Poor Law will be affected by the payment of the National Dividend, and by the new hospital system; poverty in its present sense will disappear. People who cannot look after themselves will be taken care of by the Medical Guild. There will be a place for communal houses, where people who have only the National Dividend to rely

upon may wish to live; these houses should be provided by the local authorities, but, of course, they will have none of the characteristics of workhouses, and those who live in them will pay for accommodation out of their National Dividend.

*The Ministry of Health (local government administration; house production and slum clearance; accounts and statistics of local authorities; Poor Law); Central Valuation Committee; Home Office (Registration and Elections; Fire Brigade Division); Ministry of Works and Buildings (in part).*

(vi) *The Ministry of Commonwealth Affairs*

The Dominions and Colonial Offices, less their economic and cultural sections, will form this Ministry, which will be responsible for civic relations in the Commonwealth. The India Office will be included, also the Burma Office. The Ministry will be confined to political functions, and will have its part in the political union of the Federation of the British Commonwealth.

*The Colonial Office; Dominions Office; India Office; Burma Office.*

(vii) *The Ministry of External Affairs*

The Foreign Office may perhaps take this new name, for diplomacy will be transformed with everything else. The Ministry will be associated with the political sections of the European Federation and the World Order. The departments concerned with trade will go to the Economic Chamber. The Ministry will be concerned, in addition to its major duties, with encouraging international travel, and the sharp distinction between diplomatic and other affairs will be ended.

*The Foreign Office.*

(viii) *The Ministry of Pensions*

The present Ministry was set up in 1916 to improve the administration of grants awarded for disablement in war service. Its scope should be enlarged to include all civil pensions, and it should also include the supervision of charitable trusts and any voluntary pension and charitable schemes. The Economic and Cultural Chambers will have their own pensions departments.

*The Ministry of Pensions ; Charity Commission ;  
Ministry of Health (Old Age Pensions Branch).*

(ix) *The Board of Civil Service*

The staffs of the departments, who are the paid servants of the state, constitute the civil service, and form the executive machine of government. They have their own professional and occupational associations, and include men and women of every range of ability, and some of the most highly gifted members of the community; as a whole they will form the Civil Service Guild or Guilds. The administrative staffs of the other two Chambers will be in separate guilds. There will be a guild for the local government service, which will be a branch of the civil service. The Civil Service Commission and the Treasury department responsible for personnel and conditions of employment will be incorporated in the Board. The guilds will be self-governing in the same manner as other guilds. The Board will be composed of representatives of the guilds, together with representatives from the three Chambers, each of which will be responsible for regulating the conditions of entering into its own guilds, pay, and conditions of work.

This will mean an entirely new organization of the civil service, involving a new attitude to its work.

Associated with the Civil Service Guild will be the Guild of Lawyers, the Police Guild, and other civic guilds, which will together form a Civic Guilds Congress. The members of these guilds will also belong to occupational associations, which should also have joint arrangements.

(x) *The Central Planning Board*

This Board will not be a specific state organ, but it will come under the supervision of the state and the Minister of Planning will be its chairman. It will be formed jointly by the Ministry of Planning, the Economic Planning Board, and the Council of Cultural Planning. It should possess a conspectus of the entire national activity, and have always under review the plans for the national future. It will not be an executive body, as executive action will be taken through the planning organs of the Chambers, but it will enable all plans and proposals to be related, examined, and criticized.

Britain is a densely populated country. The population of Great Britain and Northern Ireland together is 505 persons per square mile; of England and Wales 706, of Scotland 163, and of Northern Ireland 244. Other European countries have the following densities: Belgium 702, Netherlands 618, Germany 347, Italy 343, Denmark 237, France 197, Spain 120, Sweden 35. The first problem that the Central Planning Board should consider is what is the right population for Britain having regard to geographical situation, natural resources, food and water supply, and the amenities of civilized life. Political, economic, and cultural considerations have to be taken account of, as well as the relation of Britain to the Commonwealth, and



ultimately there will be questions of world planning. Until at least tentative agreement is arrived at on the population question, all planning schemes will lack a sound basis. Suppose, for instance, on a total review of the facts, it were found that the present population of  $47\frac{1}{2}$  millions should be reduced to 25 millions, the entire economic and civic planning of the country would be affected. Such a conclusion would involve the transfer of population to the dominions, where there is ample room and, to effect this large-scale planning schemes would have to be prepared and carried out. Some years ago it was seriously proposed to transplant the South Wales town of Merthyr from the depressed mining area to a new site; but the transplanting of towns to the empty dominions would be a much more rational idea than to find sites for them in Britain.

It has been urged many times that Britain is grossly over-populated; but without an adequate survey the knowledge does not exist on which action should be taken. There should be no delay in making that survey, for the formulation of national policies depends upon it, in particular the policy in relation to the birth rate. If Britain is overcrowded, an increased birth rate would be a calamity, yet it would not be disputed that an increase in the number of those born of British stock is desirable for the sake of civilization. We know that the conditions of modern urban life have an adverse effect upon human fertility, and that to remove that effect action must be taken to disperse population, to reduce the size of towns, to cease building flats, and in other ways to reduce the burden of child-bearing. Plans will soon be prepared for rebuilding London and other bombed cities; but much of London should not

be rebuilt, its crowded areas should be opened up, large areas made into open spaces, the treasured public buildings that survive cleared of surrounding buildings so that they may be seen, industrial and business concerns not allowed to return, additional development prohibited, and entirely new and spacious plans prepared. And the same should be done in other cities. But the justification for this will have to be found in the total population that has to be provided for in the country. Therefore, the problem of population demands immediate investigation from every point of view.

Among other duties falling upon this Board will be to see that neither civic, economic, nor cultural guilds become monopolies serving their own ends rather than those for which they will be established. It will therefore have the constitution and working of the guilds under constant scrutiny. Among the aims of planning in New Britain will be to avoid bureaucracy and to prevent undue centralization, which this Board should have especially in mind. The Board will have its own staff. The minister will have the advantage of being at its head, and will thus speak with authority before the House of Commons on matters on which national policy has bearing. One duty of the Board will be to allocate the surplus of national wealth after providing for the requirements of the three Chambers, which will determine the amount available for the National Dividend.

#### XVIII. THE GUARANTEE OF FREEDOM

What has been outlined very briefly in this chapter is the nature and form of the state in New Britain to be. It differs from the state as it exists, as its functions

are purely political, yet it satisfies the conditions of Parliamentary democracy, which, says the political historian, Sir John A. R. Marriott, is based and depends for its success upon 'an Electorate co-extensive with the politically qualified citizens, a Legislative body representative of the electorate, and an Executive Committee responsible to the legislature.'

The modern state has absorbed into itself 'the heritage that properly belongs to its constituent cities,' and endeavours to exercise power not properly its own; for that reason states have become unbalanced and uncontrollable instruments of oppression from which there has appeared to be no escape. An alternative is described here, the functional state, the ends of which are defined and the authority of which is not absolute. It is a decentralized state, in which the tendency of the flow of power to leave the localities to become concentrated in the metropolis will be reversed, and a new significance will be given to the local political system.

Much of what has been said here, and will be said in succeeding chapters, as to the structure of New Britain, is open to debate. None of the details of these proposals is essential, however, only the threefold nature of the social order and the functional principle are essential, for in them is the guarantee of freedom. The rest is capable of modification, and, no doubt, of considerable improvement. The guarantee of freedom is what the New Order must offer. 'This is most beautiful in a state,' we read in *The Republic*, that 'for the sake of liberty any one who is of a free spirit chooses to live in it alone.'

## Chapter IV

### SOCIETY

*The city, then, said I, as I imagine, takes its rise from this, that none of us happens to be self-sufficient, but is indigent of many things, or do you imagine there is any other origin of building a city?*

PLATO

By society is meant the community of men co-terminous with the area of the state, which has its own organized economy. The object of society is the production and distribution of goods and services. Society fulfils its function by means of industrial and commercial organizations employing genius and energies in creating wealth. Without the activities of society, neither state nor nation could subsist; therefore economics is regarded as the first interest of communities.

#### I. A NEW MOTIVE IN ECONOMIC LIFE

There is no dispute in the modern world that a new motive is wanted in economic life. Discussion takes place on the question where that motive is to be found. Some economists consider that by combination and planning the nineteenth-century laissez-faire competitive system can be adapted to twentieth-century needs. The fact remains that during the War the system has had to be drastically modified in the interests of national existence, and a large variety of controls have had to be improvised, mostly unsatisfactory. The argument I am advancing in this book is that the functional order of society is to be preferred

to any economy that involves state regulation, and that in the functional order is the new motive for which search has so long been made.

Hitherto, the economic system has suffered from a wrong ethical basis, in other words, a misunderstanding or misuse of its function. Neither large-scale planned development nor the increase of labour's voice in economic affairs will remove that error. Nor do such revolutionary changes as Syndicalism or Communism correct it; for the first makes economic interests predominate in the political sphere, while the second makes the economic system subject to political control.

The pursuit of private profit has hitherto been the motive force of the economic system—the famous doctrine of Adam Smith's that on balance society benefits when each man seeks his own advantage. In the New Order this doctrine is not denied but lifted upon a level where in reconciliation with the doctrine of public service a new social dynamic is created. Economics is the sphere of tangible benefits, and the desire for advantage is a necessary economic motive, to deny it would be to stultify economic energy and to falsify its object. What has to be recognized is that public advantage is an essential element in economic activity and that private advantage is ethically subordinate to it. This recognition cannot be given under the system of private property in the means of production and distribution, because private property, as its name declares, is a separate interest, and can no more than pretend to have social interests, a pretence that it generally maintains to achieve justification and to conceal its social distrust and separate aims. For these reasons all attempts to mitigate the frustrating results of private ownership have failed.

The exhaustion of motive in the old order economic system was contributed to by the financial control of industry, trustification, and the growth of large-scale enterprises because they put industry more and more into the hands of men who depended on salaries and were themselves subject to higher direction. Individual ability had begun to count for much less than in the past, willingness to conform to dictated policies and pliancy in opinion were regarded more highly than originality and creative energy, and political abilities and qualities foreign to economic competence or belonging to a low scale of competence brought men to the top and kept them there. Indeed, mediocrity was as outstanding a characteristic of the economic sphere as of every other sphere, and sheer competence was at a discount.

A new spirit in the economic system would be welcomed by the great majority of workers, not least by those in managerial positions, by working directors, and by technicians. As a rule such men cannot give of their best under the old order, they are aware more than others of the waste, dilatoriness, and inefficiency generally of the economic process, and the keener they are the more disappointments they suffer. None knows better than they that a new standard of scientific production would be possible if those engaged in industry were encouraged to devote their maximum skill and energy to their work.

In the New Order the functional principle would help to establish justice as between men, and the responsibility that the self-government of industry would throw upon all workers, especially upon those in key positions, would transform the relation of every one to his job. The question would arise in its most acute

form: How can the competent man be given scope in the social organism? And we can be sure that an answer would be found. One quality of the average competent man is independence, a quality strongly discouraged in the present social order; but in the New Order it would be acknowledged as of the highest value. Personal initiative will be encouraged in every sphere; for it is the ability to take responsibility; and such readiness, together with the spirit of adventure, is essential for economic leadership. All progress arises from individual initiative, which would be the cherished aim of all training for economic fitness to develop. It is a hollow pretence that initiative and adventure have scope in the world of private profit, for greed, ruthlessness, and self-seeking are predominant there. In New Britain there would be spiritual and ethical factors operating in the planned economic system, which cannot operate in the present so-called free economic system, and men will be got more easily to work conscientiously and with a sense of vocation. Work would be made interesting for its own sake.

## II. THE ECONOMIC CHAMBER

The proposal is that an Economic Chamber be established, to be responsible for the organization of the economic life of the community, for the creation of wealth and the supply and distribution of the goods and services required. The Economic Chamber would be the specific social organ. It should be concerned with all industries primary and secondary, with power, transport, post office, agriculture, fisheries, shipping, distribution, and banking. It should have its own imperial and foreign relations.

The Economic Chamber should consist of representatives of the economic guilds presently described. The guilds are to be represented in the Chamber on the basis of the number of workers and according to industrial groups, the total number of representatives being approximately 600, though it may be more. The work of the Chamber would require the greater part of the time of its members, but they should not lose touch with their particular working guilds; their pay as members of the Chamber should be in accordance with their status in the guilds, so that there should be no inducement in superior remuneration for a class of 'professional' economic representatives to be created. There should be an age limit of from 28 to 49 for candidates, the same age limits applying to members of the guild councils and economic boards.

The legislative enactments under which the Economic Chamber is set up will make it autonomous. No fresh legislation affecting the Chamber should be passed without its consent.

Such a body as is here projected has nothing in common with the Economic Councils proposed at different times in recent years by economists and politicians to advise Parliament.

To-day we have to meet the challenge of the totalitarian countries to produce an economic structure superior to the corporative system. Hardly any one would affirm that our industrial system as it stands could meet the challenge. When the War ends it will not be possible to leave industry to itself, for there will be demands for large-scale nationalization on one hand and drastic rationalization on the other. The change-over from war work to peace-time production will involve the possibility of greater dislocation than in



1918-19 because of the total nature of the present War effort, the far-reaching extent of central controls, and the strain upon the economic resources of the nation. The experience of the last post-War years is still fresh in memory, and the existence when peace arrives of vast armies of unemployed men and women, the heroes of to-day, cannot be contemplated. The establishment of a new economic order in which the demobilized service members and the discharged War workers will find useful occupation and adequate pay, in which the destruction of the War will be made good, and families united, will be essential for social stability. It will not be possible to evade that task without disaster, or to put off, with no matter what ample promises, the demands that will be made, and plans for the future will have to be ready in advance. In this chapter I discuss what those economic plans should be to make a New Britain. The main element in the new economic structure is intended to be the Economic Chamber, as a constituent of Parliament, not an advisory but a definitely responsible and authoritative body. I have indicated certain of the general principles that I consider will need to be observed in the New Order, and I now propose to describe how such an Economic Chamber would work.

### III. THE GUILDS

Individualistic, competitive, and monopolistic units in every industry and service should be replaced by guilds composed of all who are engaged in the industry or service in a managerial, administrative, technical, supervisory, or operative capacity without exception. The guilds should be chartered bodies, self-governing, directly responsible for their own affairs, operating as

national or local units. They should be established under legislation that should frame a standard form of constitution capable of being adapted to particular requirements. Each charter should provide for (1) the object of the guild, (2) the duty of providing such amount of production or extent of service as may be defined by the Economic Chamber from time to time, (3) the constitution and powers of the governing body, (4) the improvement of processes, the method of price fixing, and the relations with the Chamber and the Economic Planning and other Boards, (5) the admission of members, the conditions of membership, the members' duties and remuneration, (6) the regional and district organization of the guild, (7) co-operation with other economic guilds, and (8) the dissolution, or amendment of the constitution, of the guild.

Each industry or public service will, therefore, become a chartered guild or series of guilds. Large-scale production and organization will determine the form of the guilds in coal mining, iron and steel, etc., while small-scale enterprise and individual craftsmanship will affect the form of other guilds.

The guilds will be grouped to constitute Economic Boards, each group being a federation of guilds in related trades. Industrial organization to-day consists of (1) the plant or factory unit, which may be large or small; (2) the enterprise or firm, which may be a single plant or a combination of plants perhaps situated in different localities; (3) the industry as a whole, which consists of the various enterprises or firms engaged in a particular class of production such as coal mining, motor-car manufacture, etc.; the employers being more or less organized in one or more trade associations, and the employees organized in

trade unions; (4) the industrial group, which consists of various related groups such as mining in general, mechanical engineering, etc. The guild will normally comprise the industry as a whole, and the Economic Board will comprise the industrial group. Guild organization will be affected by the tendency of industries and services towards specialization, standardization, and large-scale operation, leading to the formation of trusts and semi-monopolies (as in cement, steel, and transport), and the Boards will reflect the tendency towards the coalescing of industries (as in chemicals and electrical engineering). It will not be lost sight of that the growth of gargantuan enterprises is a piece of financial subtlety, which is often not justified in actual working, for the saving of a small percentage in costs through combination and rationalization may result in a loss of general efficiency the effect of which is not shown on paper except after a long interval. The lessons to be learned from rationalization schemes are numerous, including the value of decentralization and the relation between the size of a unit and efficiency.

The trade associations, rings, and combines, as well as trade research and technical organizations, should be absorbed into either the guilds or trade groups. The Federation of British Industries has organized its membership in 24 industrial groups and 126 sub-groups; taking this as a basis, with the necessary additions, it may be estimated that the number of major guilds would not be less than 300, and the number of Boards rather less than 40. The guilds would be regionalized, and it is likely that there would be more than one guild in many industries, if only because, as I have suggested, there are limits to the effective size of industrial units.

The government of each guild would be by a guild council appointed by the various occupational sections of the workers. Guild members would belong to their appropriate trade union or professional association, and all occupations engaged in the guilds would be represented on the managing bodies. The guild council would act as the board of directors of a company, being responsible to the members for carrying out the objects, deciding policy, receiving reports, settling programmes, appointing the management, and maintaining discipline. Management of a guild would be generally on the lines of the management of a company or corporation, except that the workers would be participants with rights as well as duties, and that there would be no shareholder, owner, or employer interests.

The actual process of management would not be far different from what it is now. Personal ownership and the owner-manager have already almost disappeared except from small enterprises, having been replaced by boards of professional directors and managers. The policy of the economic system in general will be laid down by the Economic Chamber, the Economic Boards will settle the general lines of policy for their groups, and within the framework thus established the individual guilds will be responsible for their own internal programmes.

The guild council will be concerned with policy and general principles and their application in the guild, the actual management being in the hands of the specialized administration. Industrial administration is a form of economic activity upon which the efficiency of the economic system now largely depends and its influence in the new economic system will undoubtedly increase. There is also an intermediate class of technical

men, who are heads of departments or engaged in research, design, planning, etc., who are no less indispensable, and whose place in industry becomes more and more important. To train and select men for these functions will be an essential duty in the new system. They must possess ability in leadership, i.e. they must have character, they must be capable of discharging responsibility, have the power of co-ordination, and possess initiative. In these directions personality will have ample scope in the economic life of society.

It should be observed that this proposal for guild management is entirely different from the form of control of public utility corporations, such as the Port of London Authority, the Central Electricity Board, or the London Passenger Transport Board. These Boards do not, as the guilds will, represent those who conduct the industry or service; they represent various outside interests, and take the place of the employer, as for instance, the Central Electricity Board, which has a full-time chairman, and seven other members appointed by the Minister of Transport, representing labour, the banks, railways, local authorities, etc. Though much praise has been expended on them, these Boards are not, in fact, efficient instruments of management; they develop considerable elements of bureaucracy, tend to reduce responsibility and to kill initiative. Those who sit upon them have no direct responsibility, nor have they necessarily any experience of the service they nominally operate.

The guild management councils will consist of the actual workers, there will be no outside interests. It has been contended, with evidence to support the argument, that workers cannot manage their own industries; but every self-governing workers' enterprise

has hitherto suffered definite handicaps, in particular not being in a position to establish efficient administration. As the guilds will combine every grade of worker, including the managerial and administrative personnel, they will be complete units. The guilds will have the benefit of working to policies laid down by the Boards, including the Planning Board, and will have defined objectives towards which to work. There will be more facilities for consultation than exist in industry to-day. All but small-scale industry is experienced in committee working, and the replacement of existing managements with guild councils will cause no hiatus in industrial operations nor any dislocation of economic activity. The recognition of function will assist the conduct of enterprises. When responsibilities are defined, there will be no lack of decision, and bureaucratic shirking of responsibility should not characterize guild management. The worst evils suffered by industry under the present system, apart from the sense of insecurity felt throughout the entire industrial structure, arise from discouragement of enterprise, technical stagnation, and unimaginative financial direction. Because the new economic system will set the minds and energies of men free for what will be regarded as the greatest constructive enterprise in history, new life and vigour will be engendered to tackle the problems that will have to be dealt with, with results that cannot fail to be productive.

Without entering into closer detail, it can be said that wide-scale reorganization of industry is to be contemplated. Businesses would be grouped in economic units, separate undertakings would be pooled so that individual factories would operate as shops in a co-ordinated productive system, uneconomic or redundant

establishments would be closed down, plant would be moved where it could best be used, and there would be transfer of personnel. Indeed, the benefits of true rationalization would be felt without any of the ill effects of the selfish and crude rationalization of private property, devoted as it invariably has been to profit maintenance and to the restriction of output. To carry out what would be required, an economic survey would have to be undertaken by the Economic Planning Board covering all plants, investigating their productive capacity, buildings, lay-out, power and fuel needs, raw materials requirements, transport, and personnel. A certain amount of the preliminary work for the guildification of industry is already being done under some of the war controls, and it would not be a lengthy matter to transform the regulation of private enterprise into a structure for the public enterprise of the guilds. It may be remarked for the benefit of those who have chafed under the bureaucratic methods of the war control, that guild procedure would be different. Industries would be reorganized on the new basis in turn, but it should be possible to make progress simultaneously with some of the principal industries such as coal-mining, iron and steel, shipbuilding, transport, building, and food supply.

#### IV. WAGES AND EMPLOYMENT

The wage system will disappear in New Britain, and with it the entire apparatus of wage regulation together with the condition of 'wage earner.' Wages are a badge of servility, and the wage system has been properly described as wage slavery; for the wage earner was hired and dispensed with as a commodity, and

labour in the aggregate belonged to the labour 'market.' The need felt by the wage earner to protect his interests by a form of economic militancy will exist no longer; for every one in the economic system will be a worker, with a functional place and a recognized status, will have a voice in its operation, and will receive pay. Workers will be, in effect, partners in the economic process, sharing in control and rewarded out of the common pool. They will receive pay, not wages, the amount of which will vary according to status. Salaries also will become pay, and the wide variation between the remuneration of operatives and managing directors will not continue, though there must be recognition of ability, for economic prosperity will depend upon the application of intelligence, energy, skill, and foresight, which will have to be rewarded. A minimum basis of pay will be observed, with a maximum working week.

The guilds will be responsible for the employment of their members. In the event of casual unemployment, guild pay would continue. There will be no dole, or means test, and 'the horrible queue outside the labour exchange,' and the correspondingly horrible treatment within, will both be gone for ever. If a member is unlikely to be employed again in a particular guild, the trade group would be informed with the object of securing his engagement in another guild, otherwise the Board of Economic Vocations will be required to find employment for the man elsewhere. Arbitrary dismissal will not be possible; disciplinary courts should exist in all economic establishments to deal with complaints or charges in relation to behaviour or workmanship. The inefficient or negligent worker should lose status. During unemployment full guild pay should continue for, say, four weeks, thereafter the trade group



to become responsible, and ultimately the Vocations Board. An unemployed person would be able to join another guild if he could gain admission, otherwise he will be required to accept work and admission to a guild offered him or lose his pay, when he would, of course, have the National Dividend to fall back upon. The principle will be that the guilds will take care of their members. In the event of incapacity through ill-health the person would be pensioned. It will be remembered that in these questions of guild membership, the person concerned will be a member of the guild, not a mere hired employee, and will have the benefit of the guild regulations, and a voice in what is to happen to himself.

#### V. TRADE UNIONS

In the New Order the ideals of the great trade union movement will be attained, and the devotion and self-sacrifice of generations of pioneers will be rewarded. The trade unions and professional associations will not themselves become guilds, but will continue to be concerned with craft and occupational interests, which will often affect more than one guild and more than one industrial group. The craft union rather than the industrial union will be suited to the new economic system. The objects of trade unions and professional associations will be what they are at present, except that their work in negotiating and maintaining wage agreements will disappear, as well as their work on trade boards and joint industrial councils, which will be needed no more, though the unions will represent their members in discussions upon bases of pay. All workers in economic guilds will be required to be

members of their respective trade union or professional association, so that all the unions will have one hundred per cent membership. The responsibilities of trade unions in connection with vocational training and competence will increase, and they will play a part in the necessary discipline of the economic order. The unions and professional associations will work through local branches as at present, and branch functions can be expected to increase in importance. The Trades Union Congress should consist of all trade union and professional associations whose members are engaged in economic guilds.

#### VI. ECONOMIC AGE LIMITS

The age limits in the economic sphere will be from 21 to 49. All young men and women reaching the age of 21 will be required for a period of seven years to devote a part of their working time to some economic activity, whatever profession they may be training for, so that priests, lawyers, doctors, teachers, and all other professional or semi-professional workers who intend to be engaged in the civic or cultural spheres will have actual experience of the economic process in a guild in an operative capacity. These part-time workers will not have a privileged position or be permitted to take easy jobs, but will invariably work at the bottom, for no class distinction will exist. Between the ages of 28 and 49 workers will be able to take an active part in the organization of the guilds as members of a governing body, or as members of an industrial board, or as representatives in the Economic Chamber. At the age of 49 workers will be entitled to retire on pension according to their status. Those who wish to continue

at work after that age will be permitted to do so, subject to the consent of the guild council; but they will not be able to serve on the council, or Board or Economic Chamber. The object of this rule is to keep the economic system in the hands of the youngest and most vigorous part of the community.

#### VII. COMPENSATION TO OWNERS

Shareholders, debenture holders, mortgagees, and private proprietors will have to be bought out, to appear no more in the economic order. The method of compensation will be much discussed: I propose that it should be an annual sum equivalent to the average dividend, interest, or other profit received, after deduction of income tax and super tax, over a recent period of years. This compensation should be paid during the lifetime of the person entitled to it, with provision for his dependants on the same scale during widowhood, childhood, or incapacity. Compensation should be liberal in amount but limited in time.

There is no justification, when all owners will be treated alike, for full compensation on the basis of capital value instead of personal income. Indeed, there is a strong body of opinion that objects to any compensation at all. Certainly the effect of the War upon capital values and the incidence of War taxation upon incomes will have to be taken into account whatever method of compensation is adopted. Capital is a social product, though it may be in private possession; its preservation is a social duty, and the War has brought it under social control. Indeed, during the War the private possession of all forms of capital has become nominal; for only by assuming that capital

and the means of production were common possessions could the War be waged. Legal ownership of property has therefore become a mere technicality; it is impossible to suppose that its pre-War significance will be restored. The War has nationalized private property just as it has put every man at the disposal of the state, and this fact dominates the economic position.

Justice has to be done between owners who have lost everything in the War by air raids and through evacuation or confiscation or because their businesses have been closed down in the interests of War production, and other owners who, through supplying War demands, or through being in favourable districts or for some other reason, have maintained or even increased the value of their property or the profits of their businesses. All owners should be put on the same footing, and owners whose property has been lost will have to receive compensation having relation to the total capital that will remain at the end of the War, which will affect the amount of compensation to others whose capital has remained intact.

Small concerns employing up to five persons should not be incorporated into national guilds, except in industries in which a monopolistic basis is decided upon, but, should their owners desire to continue them, remain as they are. The capital of the working owner in such industries would be unaffected, but borrowed money would either be converted into a credit from the Banking Guild, the lenders being compensated, or it would remain on a sharing basis. These small industries would come under the jurisdiction of the Private Initiative Industries Board, mentioned later. There exist a large number of small traders and middlemen, whose standard of living is often not above that of the

working classes, and it may be expected that their number will decrease in the new economic system as there will be greater scope for service with the guilds.

Associations of a public character, civic bodies, pension funds, schools, charities, trades unions, friendly societies, cultural bodies, etc., with investment funds in government stocks and municipal securities or land or other forms of capital, must have their incomes protected. Some of these associations will have their functions absorbed wholly or partly by the new economic or cultural guilds, which will inherit their traditions and activities.

The same method of compensation as that proposed for other capital will apply to the expropriation of land, which will become national property, and to the holdings of state and municipal stocks and foreign and colonial investments.

#### VIII. DEBT

Debt would, therefore, be brought to an end. The international national debt, which at September 1939 was £7,247 millions, is likely to be doubled. Interest on this debt, if it were to remain, would represent a heavy burden on the industries of the country for generations to come. Moreover, as the national debt forms the basis of other debt throughout the financial system, its incidence is far-reaching. Some of this debt does not represent actual saving, but is borrowed money in anticipation of saving, which multiplies the burden. Management of the debt and trading in the instruments of debt create power, which, in the hands of those possessed of it, enables control to be exercised over the national economic life.

There is no doubt that the national debt would, in any circumstances, have to be wiped out either by inflation or financial manipulation, or by cancellation, for to maintain it in existence would be an intolerable burden; not only would the realization of the New Order be made impossible, but the old order could not endure it. My proposal is to take advantage of the drastic change in economic conditions arising out of the War to end the system of debt as an element in the economic structure, which would produce an utter change in the national economy. Building societies would be incorporated into the banking and land development systems, insurance companies and brokers would become insurance guilds. Hire purchase, which is a method of stimulating sales based on the debt structure, would be discontinued. Probably, for a period after the War, furniture and other consumption goods with an extended utility will have to be provided without individual means to pay for them; but this will be carried out free from interest charges. A New Order principle will be that people will not spend more than they have. In fact, they will not find it possible, for interest will be abolished throughout the entire social order.

#### IX. CAPITAL INVESTMENT

The financial system not being carried over into the New Order, the financial apparatus of banks, money market, and stock exchange will not be maintained in its present form. The banks will be the accounting institutions of the economic system. Private investment will be on a scale different from the present, and will consist only of the investment of sums on a sharing

basis in independent industries or trading enterprises; for individuals will not have large surplus incomes for which to find investment, nor will large speculative profits be possible, and there will not be the investment field of stocks, shares, debentures, and mortgages, which interests the present wealthy class. There will be no such class; and capital will not be represented by privately owned negotiable instruments. Therefore, there will be no discussion in these pages upon the working of an Investment Board. The system of investment and credit control in the new society will be purely artificial, freed from so-called natural influences, being operated by the Finance and Planning Boards of the Economic Chamber, which will be concerned with the capital requirements of the economic system, and the Treasury, which will be concerned with the so-called capital requirements of the civic and cultural chambers and with distribution for consumption. There will be no savings campaigns. The rule will be that money that is paid out is intended to be spent on day to day, or year to year, consumption needs of individuals and families. To save this 'fluid' money or to turn it into capital would be to make it serve a different purpose from that for which it was issued. Therefore, money intended to be saved should be banked, the effect of which would be to cancel it. The misuse of money is, perhaps, the prime cause of trade cycles, which perplex economists, and maybe the confusion between capital and money is at the root of the world's financial impasse. To look after the savings of society will be among the functions of the Planning and Finance Boards. Savings will be made at the source. In the new society the capital for plant and stocks in the economic system and expenditure upon ameni-

ties and public requirements in the civic and cultural systems will equally represent the diversion of wealth from individuals to public purposes, which will be made possible by the control of both the monetary system and the economic order. There will be no interest burden, for no capital will be borrowed; the process will be that some part of the wealth that might otherwise be consumed by individuals will be consumed by the 'public.' It is, in fact, the same process that exists at present, except that it will be direct instead of roundabout, and will be under the control of social institutions operating in the public interest instead of financial institutions operating in private interests.

Insurance for public and private purposes will continue in a modified form. Insurance companies converted into guilds will not earn interest and the funds available for losses will be the premium income only. The guilds will include those who now operate as brokers and will be conducted in conjunction with the Finance and Banking Board. Life insurance as a form of investment will not have its present importance. National Health Insurance and Unemployment Insurance will be abolished. There is no doubt that developments in the field of insurance will be possible.

#### X. INDIVIDUAL INITIATIVE

Although private profit will cease to be the motive of the new economic system, there is no intention that individual initiative should be checked, but, on the contrary, it should find more scope than in the old order because labour and invention will be socially released. Men with ideas and energy will be encouraged,



and effort will be made to prevent the economic system from falling into the infirmity of stagnation. Individual economic enterprises will continue in industries or services in which a guild monopoly is not essential in the public interest. Such services, for example, as the post office and transport can only be maintained economically as monopolies, which also applies to mining and certain food products among other industries; but where monopoly is not entirely essential for efficient production and equal service it should not be maintained. Economics is not the special field of freedom but of necessity, for the means of sustaining life must be maintained at all costs; yet even in economics there must be an alternative to regulation and sameness, therefore there should be provision, jealously guarded, for individuals to pursue independent economic activities. With this object a Board of Private Initiative should be set up to look after the interests of those engaged in such enterprises, who should be associated in special guilds with representation on the respective group Board, their activities being co-ordinated with the national guilds. No independent enterprise should be allowed to engage more than a small number of people, whose pay and conditions of work should be subject to regulations made by the Board. These enterprises should be assessed for contributions to the national exchequer through the special guilds. Facilities should be available for premises, plant, equipment, and working capital. Any independent enterprises that grow beyond a certain size should be required to be reorganized on a national self-governing guild basis.

## XI. THE INTERESTS OF CONSUMERS

The Economic Chamber will not have consumer representation, for those actually engaged in the economic process should operate it, except that, as I shall indicate later when discussing distribution, consumer representatives should be allowed in the distributive guild, and through it consumers will get some representation in the Chamber. Many guilds will be consumers of the products of other guilds, and the inter-relationships of the guilds in this respect will be considerable. To assist this will be partly the function of the Economic Boards. The Economic Chamber will be the place for the discussion and settlement of large questions between the guilds, but normally the questions between guilds will be settled by the Economic Boards themselves, and on the questions of prices there will be the Price Fixing Board.

Consumption in general will be regulated by the monetary system, which is the primary responsibility of the House of Commons, which represents citizens. Through the monetary system the 'sovereignty' of the consumer will be exercised by personal choice in expenditure.

The question is of some importance because the tendency in economics is to seek self-sufficiency. Producers like to please themselves, and to decide upon the kind, quality, and quantity of goods they produce in accordance with their own prejudices or aims. Even under private enterprise, producers are inclined to forget that goods are for consumption, and that the consumer is the ultimate factor, unless reminded by some sharp reaction of the market. In a planned

social order the guilds as producers should have not less but more contact with the distributing system than exists under *laissez-faire*, otherwise they will tend to become even more indifferent to it than industry is to-day, for many of them will be protected against competition. All production should be subject to recognized quality standards in the definition of which scientific and cultural considerations should be observed. To maintain an equilibrium between not only the inclinations but the functional competence of the producer, the exigencies of the material, and the desires and needs of the consumer, is the art of economics. Like all art it is a conscious activity, and cannot be left to chance.

A further point is that salesmanship in the new society will not have the same importance as in the old order. In the department of salesmanship there has been a larger element of waste and more false values invented than in any other sphere of economics. During the War, salesmanship has largely been eliminated as there have been more buyers than sellers. This has certainly encouraged insolence among sellers, which has to be checked; but the place of the salesman with his apparatus of publicity and advertising will be greatly altered. To the extent that the salesman remains he will be required to cultivate more especially than he has frequently done in the past the quality of service, which has always been his ostensible justification. The salesman will find his function as the marketing section in each industry and will be concerned with consumption. Movement is necessary for economic health, for goods have to pass from producer to consumer, otherwise economic stagnation takes place, with ultimate stoppage; any arrest of movement in

economic process from lack of enterprise by producers, or the ignorance of consumers, or insufficient transport or some deficiency in economic planning, or the lack of initiative in the distributive system, concerns the producing guilds, should be brought under their notice, and should be dealt with by their marketing departments. The closest possible contact between distributor and producer must be maintained, which should be effected through the marketing function of the guilds.

The press will have a function here, as, in an extravagant way, it has to-day. Newspapers devoted to different types of products, constituting an improved type of trade press, may perhaps be a means of supplying the necessary producer-consumer link.

## XII. ECONOMIC GOVERNMENT

The Economic Chamber will be the deliberative council of the economic life of the people. Every question having bearing upon economic affairs will come before it for consideration, and where the guilds themselves do not raise questions they will be brought forward by the civic or the cultural representatives on the Central Planning Board. The most complete organization of the economic resources, man-power, and technical skill of the nation will be possible. The Chamber will be in continuous session to determine the general policy of the guilds, to settle matters of controversy between the guilds and economic groups, to give close attention to economic planning, to consider and approve the economic budget for presentation to the House of Commons, to consider and put forward to the House of Commons legislation required by the

guilds or for some economic object, to supervise imports and exports, to determine standards of pay, to see that available workers are employed, and that the necessary production and services are adequately supplied, to co-operate with the Council of Education for vocational education, and with the Council of Science for industrial research and the scientific investigation of economic problems, and to represent the social order in Commonwealth and international economic relations.

There will be an Economic Cabinet or Government known as the National Economic Board, which will be responsible for the business of the Chamber. It will consist of the chairmen of the various Boards referred to hereafter. The National Board will elect its own chairman, who will be the head of the economic social order.

### XIII. THE ECONOMIC BOARDS

The Chamber will work through Economic Boards, which will deal with proposals affecting the guilds or the Chamber, consider and review regulations made by the guilds, and legislation affecting the guilds will be reported upon. The Boards will not, however, interfere with the working of the guilds; they will be composed of the members of the Economic Chamber representing the group of guilds, having their own chairmen and administrative staffs. In the list of Economic Boards that follows, the series of Boards that starts with the Land Development Board will be specially appointed by the Economic Chamber.

In preparing the following scheme of Economic Boards I have been influenced to a certain extent by the grouping of the Federation of British Industries, which

is rather different from that adopted in the Census of Production; but I have no doubt that some modification in the groups will be required, and that division will be found necessary; but I think there is an advantage in keeping the number of groups as small as possible. The guilds suggested to be grouped under each of the Boards are shown: it may be found convenient to combine some of the guilds, and to subdivide or regionalize others. It has not been possible to enter into detail in what is, after all, a preliminary sketch of a scheme of vast dimensions. The government departments that will be taken over or absorbed are indicated, though the inclusion of a particular department does not mean that it will necessarily be retained.

(i) *Board of Mining, Quarrying, and Allied Trades*

The entire mining industry will be grouped, with advantages to the economic life of the community which will be incalculable. Through the guilds, those responsible in each industry will be the actual workers of every grade, so that a new attitude to the industry will be created. The workers will not 'own' the industry, for ownership will be social, but in their guild they will operate and control it, not for their own profit, but for the service of society, with obligations that they will be bound to respect. No industry has had more attention devoted to its socialization than coal mining; but the guild system and the integration of the industry in the general economic system, in which it will not have a particular form, but will be of the same form as the rest, will put an entirely new aspect on all previous proposals, as well as upon the half co-ordinated rationalization that the industry has itself attempted.

Production and distribution will be the two branches of the work of the Board, which must go hand in hand. The planning and development of the industries will be highly important, and the attention given to them will have far-reaching effects, for the field of science in these industries is a wide one. The guilds will be regionalized.

Guilds for Quarrying, Limestone, Granite, Chalk, etc.; Coal Mining; Gypsum Mining and Quarrying; Ironstone Mining; Fireclay Mining; Salt; Tin; Patent Fuel; Coke and By-Products.

*The Board of Trade (Mines Department; Coal Commission.)*

(ii) *Board of Iron, Steel, and Allied Trades*

Reorganization in this group of industries has been partially attempted, but attention has far too exclusively been given to its financial structure; it will be possible to undertake complete reorganization with great economic advantage when financial interests have been eliminated and owners have disappeared. Technical developments may be expected to be revolutionary in this as in most groups of industries.

Guilds for Pig Iron; Steel Makers; Bar, Hoop, and Wire Rod Rollers; Galvanized Sheets and Blacksheets; Tin, Terne, and Blackplates; Tilters, Forgers, and Rollers; Railway Rolling Stock, Track, etc.; Steel Castings, Iron and Steel Forging and Stampings; Iron Castings; Wire; Tool Steel; Bright Bar and Cold Rolled Steel; Steel Metal Workers; Steel Finishing, Edge Tools and Allied Trades, and Engineers' Tools; Tubes; Chains, Anchors, and Cables; Nuts and Miscellaneous; Hollow-ware, Hardware, and Metal Small-ware; Drop Forgings, Stampings, and Press Work; Safes, Locks, and Latches; Solid Drawn Pressings from Sheet Metals, etc.; Steel Pens; Grindery Nails; Tin Boxes; Pins, Fastenings, etc.

(iii) *Board of Mechanical Engineering*

When this group of industries is examined it is obvious that none is in greater need of economic planning; it contains industries largely dependent on export trade, others with a protected home market, and embraces the largest variety of production of any group.

Guilds for Locomotive Manufacture, Carriages, Wagons, etc.; Machine Tools; Motor Vehicles; Aircraft; General Mechanical Engineering; Agricultural Engineers; Heavy Engines; Textile Machinery and Accessories; Mining Machinery; Internal Combustion Engines; Pump Steam and Water Fittings; Coke Ovens, Gas Conveying, and Chemical Plant; Heating and Cooking Apparatus; Tin Stampers, Piercers, and Allied Trades; Ordnance and Projectiles; Printing Machinery; Stone Breakers, Ore Crushers, etc.; Milling Machinery; Scientific, Optical, and Photographic Instruments (other than Electrical); Pedal Cycles; Motor Cycles; Fire Arms and Ammunition; Hydraulic Engineers; Emery, Grinding Wheels, etc.; Alcohol, Oil, and Petrol Engines; Saw Milling, Woodwork, etc., Machinery; Tanners' and Curriers' Machinery; Paper Making Machinery; Sheet Metal Working Machinery; Chemical and Dye Plants; Oil and Water Boring Machinery; Mechanical Stokers; Sugar Machinery; Engraving Machinery for Printing; Industrial Furnaces, Gas Producers, etc.; Drying Machinery; Steam Boilermakers.

(iv) *Board of Shipbuilding, Marine Engineering, Constructional Steelwork, and Allied Trades*

A group of industries, many old, all of the greatest importance in the national economy in which, before the War, restrictive policies were marked.

Guilds for Shipbuilding; Bridges and Constructional Ironwork; Marine Engineering.



(v) *Board of Electrical Engineering*

One of the latest industrial groups, of increasing importance, in which technical advance has been rapid, where a certain amount of co-ordination has been effected, but where the scope is illimitable.

Guilds for Electrical and Allied Machinery; Cable Makers; Electrical Engineers; Wireless Apparatus.

(vi) *Textiles Board*

A composite group of cotton and woollen industries, in which organization on a national basis has never been within the range of practical economics, but remains of urgent national importance. The start that has been made with the cotton industry may be noted, and the Cotton Board will be taken over. Under this Board small guilds, in women's and men's clothing, dressmaking, etc., will be numerous.

Guilds for Cotton; Wool, Woollen, and Worsted; Silk; Lace; Hosiery; Jute, Flax, Hemp; Mixed Fabrics; Textile Accessories; Carpets, Linoleum, etc.; Clothing; Rayon Yarns; Rayon Fabrics; Elastic Web; Linen Thread, etc.; Velvets, Plushes, Imitation Furs, etc.; Corsets; Hats.

(vii) *Board of Glass and Clay Products, etc.*

In this group individual craftsmanship in certain trades will play a large part.

Guilds for Glass; Pottery; Bricks, Tiles, etc.; Refractory Materials; Cement.

(viii) *Board of Printing and Allied Trades*

Individual craftsmanship will play a large part in this group.

Guilds for Letterpress and Lithographic Printing;

Electrotype, Stereotype; Process Work; Typefounding; Publishers' Binding, Printing Inks; Writing Inks and Gums.

(ix) *Board of Chemicals and Fertilizers*

A group in which the chemical industry, already possessing a strongly monopolistic character, will have a number of guilds and sub-guilds.

Guilds for Chemicals; Explosives, Dyes, and Intermediaries; Fertilizers; Toilet Preparations.

(x) *Building Trades Board*

A single national guild, or, what is more likely, a co-ordinated system of local guilds, in a trade greatly in need of modernization, in which scientific research has had but a small place, will be formed, in which architects, engineers, surveyors, and scientists, including economists, must share with builders the task of modernizing building methods and the planning and construction of all kinds of building. This Board will play an important part in the immediate future in conjunction with the civic authorities in the rebuilding of the towns throughout the country, and the making of new towns. Its task will be to plan and build better houses, larger and with more complete equipment than was thought possible before the War, better designed industrial and commercial buildings, and an entirely new type of civic buildings, schools, and other public buildings. The restoration of craftsmanship in the building trades, bricklaying, joinery, painting, plastering, and other trades is urgent, for they have been allowed to fall into decline owing to the prevalence of cheap and shoddy work. The building trade had some experience of guild organization after

the First World War, but what was attempted then in a partial manner was in a different category from the total reorganization of the trade on a national scale. Local guilds will be practicable, and there will be independent craftsmen.

Guilds for Building Construction; Demolitions;  
Builders' Merchants.

*Ministry of Works and Buildings.*

(xi) *Board of Rubber and Asbestos*

Guilds for Rubber Manufacture; Waterproof Sheets (other than rubber); Tents; Rainproofed Fabrics, etc.; Asbestos Manufacture.

(xii) *Board of Non-ferrous Metals*

Guilds for Smelters; Copper, Brass, and Zinc; Brass Founders; Aluminium; Lead, Antimony, Tin, Nickel, etc.; Non-ferrous Wire and Wire-Weaving.

(xiii) *Board of Oils and Fats*

This Board will have contact with the Board of Food Supply.

Guilds for Soap and Glycerine; Candles; Margarine and Lard Compounds; Oilseed Crushing; Petroleum Products.

(xiv) *Board of Paper Making and Allied Trades*

Guilds for Paper Making; Manufacturing Stationers; Paper Boxes and Cartons; Paper Bags; Stationery Sundries; Coated Paper; Wall Paper; Paperboard, etc.

(xv) *Board of Woodworking*

In this group the furniture trade will provide an opportunity for extensive reorganization and development. It needs to be put on a modern basis to meet

public needs, which hitherto it has failed to do, for the supply of well designed, soundly constructed, and low-priced furniture has been non-existent.

Guilds for Brushmaking; Office Appliances; Timber and Woodwork, including Furniture, Basket-Making and Wicker-Working; Vehicle Building; Wood Lasts.

(xvi) *Board of Cutlery, Jewellery, Electroplate, and Allied Trades*

Guilds for Cutlery; Manufacturing Goldsmiths; Silver and Electroplate Manufacturers; Rolled Gold, Gilt, and Imitation Jewellery Manufacturers; Casemakers and Optical Goods; Platers and Gilders; Die-sinkers, stampers, and piercers; Watch and Clock Manufacturers, Chains and Mesh; Manufacturing Jewellers.

(xvii) *Board of Leather and Allied Trades*

Guilds for Leather Production; Saddlery, Fancy and other Leather Goods; Boots and Shoes; Machinery Belting; Leather Gloves.

(xviii) *Board of Fisheries*

The Herring Industry Board and the White Fish Industry Joint Council will be taken over. The Board will be concerned with curing and by-products, and will have contacts with the Boards of Food Supply and Distribution.

Guilds for Deep Sea Fishing; Coastal and Inland Water Fishing; Fishing Accessories.

(xix) *The Shipping Board*

England belongs to the seven seas, and shipping is one of the economic activities on which her life depends. Shipping can never be neglected, and the qualities that

seamanship develops are essential elements in British national life. Command of the seas in more than a military sense is necessary for British national existence and the continuance of the Commonwealth. A new economic basis for our Mercantile Marine has to be established, giving greater stability to the industry and providing better conditions for sailors. With shipping in the hands of guilds of sailors, co-ordinated with the entire economic life of the country, a new future for the industry will be realized.

Merchant Shipping Guild.

*The Ministry of Shipping; Board of Trade  
(Mercantile Marine Department); Trinity House.*

(xx) *The Power Board*

The guilds concerned with power supply will be grouped under this Board; they will be extensively regionalized and have closest contact with the Economic Planning Board. This being an age of power, the co-ordination of sources of power with maximum output and widest distribution will be a great economic gain. The use of electricity in domestic life and throughout the industrial system will be increased. The Central Electricity Board will take over generation and distribution throughout the country. The grid principle will be applied to gas and water. The co-ordination of petroleum with other power sources will be undertaken.

Guilds for Electricity; Gas; Petroleum; Water Supply.  
*The Board of Trade (Department of Power);  
Ministry of Transport (Departments relating to  
Electricity); Electricity Commission; Central  
Electricity Board; Metropolitan Water Board;  
Thames Conservancy; Lee Conservancy.*

(xxi) *Transport Board*

All forms of transport, including national highways and coastwise shipping, will be co-ordinated under this Board, which will take over the functions of the Ministry of Transport. To make transport facilities complete and cheap will be the Board's aim, including the electrification of railways and development of airways. It will be remembered that transport is not an end in itself, however, but one of the subordinate and instrumental ends of the economic system.

Guilds for Railways; Canals; Tramways; Omnibuses; Road Transport, Airways, Docks and Harbours; Shipping (coastwise); Lightermen and Barge-owners.

*The Ministry of Transport (except departments relating to electricity); London Passenger Transport Board; Mersey Docks and Harbour Board; Port of London Authority.*

(xxii) *The Communications Board*

The Post Office is already highly organized, and its conversion into a self-governing postal guild will be a comparatively simple matter. Workers' control will be substituted for Parliamentary and bureaucratic control. Under this Board will be grouped wireless telegraphy and cables.

Post Office Guild; Wireless Telegraphy and Cables Guild.

*The Post Office (except the Savings Bank).*

(xxiii) *Miscellaneous Industries Board*

Under this Board will be grouped industries that do not come into other groups; but it is possible that some of the following industries should be included under

Boards already mentioned. The formation of new groups will be possible at any time when the number of related guilds makes it advisable.

Guilds for Oil, Paint, and Varnish; Turpentine; Drawing Instruments and Materials and Photographic Apparatus and Materials; Musical Instruments; Bedsteads; Combs; India Rubber Substitutes; Toys and Games; Oxy-Acetylene Welding; Erinoid; Ebonite, etc.; Anti-Corrosive and Anti-Fouling Compositions; Colours; Photographic Films and Plates; Photographers; Hairdressers; Laundries; Dyers and Cleaners; Window Cleaners; Chimney Sweeps; Removal Contractors; Funeral Contractors; Art Dealers; Second-hand Furniture Dealers; Dealers in Second-hand Books, Stamps, Coins, etc.; Breeders of Dogs and other Animals.

(xxiv) *Board of Agriculture*

Agriculture, the most ancient and honourable industry, has suffered a long period of neglect, now being repaired. The new attitude to the land has to be maintained, for agriculture is more than an industry. The earth is our Mother, and we owe it respect; the real farmer is a husbandman. The task of the Agricultural Guild will be to work out the economic basis of a new rural life, as well as to produce the necessary food supply and to sustain the health and fertility of the soil. The townsman has hitherto had little regard for agriculture, for which he has had his reasons, the rural districts being fastnesses of reaction. Rural economy has been sacrificed to cheapness in food supply, and indifference to the soil has been one of the great evils of our industrial civilization. A new rural economy has to be created. The redistribution of population, which will take place in New Britain, and the new local government organization, will have

an effect upon agriculture, relieving its isolation and spreading its market. The new town-country civic units will encourage workers to remain on the land, and will also attract workers to the industry. The new economy will include among other things the restoration of humus to the soil by the scientific use of urban refuse and sewage in place of burying or burning it, or emptying it into the sea.

It should be possible for us to produce all our own food, except tropical produce, instead of the forty-four per cent which was produced before the War, with benefits to the nation which would be more than economic; for healthy vegetable and animal products could be guaranteed by scientific husbandry, and the development of agriculture has a wide and definite bearing upon social, physical, and racial well-being. The physiological system of the social order requires that a nation should be able to feed itself, for in the long run a nation cannot otherwise exist.

In certain branches of agriculture, such as stock-breeding and seeds, British industry is pre-eminent. What the industry urgently needs is adequate finance, freedom from the burden of debt, stability of prices, the elimination of the toll of the middleman, the intelligent application of scientific methods, and efficient organization, guided by far-sighted national policy, and then British agriculture should be unrivalled.

The Agricultural Guild should be somewhat different from other guilds and organized partly as farmers' co-operative associations, in which farmers cultivating their own farms should be subject to common policy, and required to observe a scientific standard of cultivation. No one is more individualistic than the



prosperous farmer or less inclined to co-operate, a disinclination characteristic of the farming community generally; but this will be overcome when the advantages of co-operation are clear. The small mixed farm is sometimes an uneconomic unit, and such farms should be combined to make up genuinely economic units for maximum cultivation. The number of agricultural holdings in Great Britain in 1939 of over one acre and under fifty acres was 271,750. In agriculture results have to be waited for longer than in most industries, and long-term social policies are essential. Badly cultivated holdings and vacant farms and unoccupied lands should be taken over and worked by the guilds. The Agricultural and related guilds will be localized, and have regional organization. The various Marketing Boards will be absorbed. Factories for sugar beet, bacon, dairy products, etc., will be operated in conjunction with the Board of Food Supply, and vegetables, meat, milk, etc., will be handled jointly with that Board, and the Distribution Board.

Guilds for Agriculture; Market Gardening; Horticulture; Fruit Growing; Beekeeping; Poultry-keeping; Horse-breeding, etc.

*The Board of Agriculture (Agricultural Departments including Marketing Boards); Agricultural Marketing Facilities Committee.*

(xxv) *Board of Food Supply*

Under this Board will be grouped all guilds engaged in food supply and manufacture, including animal foods. Relations with the Boards of Agriculture and Distribution will be close. The Board will also be concerned with the Health Council, for it will be responsible for the quality of foodstuffs and the main-

tenance of dietary standards. It will be associated with the Fisheries Board. Imports of food will come within the purview of the Board.

Guilds for Cereal Milling; Cereal Foods; Rice; Starch; Bakeries; Meat Imports; General Food Imports; Fruit and Vegetable Imports; Manufactured Meat Products; Vegetarian Foods; Cocoa and Chocolate Confectionery; Sugar Confectionery; Vinegar, Jam Making; Biscuits; Sugar Producers and Refiners; Tea and Coffee Producers and Blenders; Preserved and Dried Fruits; Sauces and Pickles; Malt; Aerated Water; Tobacco; Animal Foods.

*Ministry of Food ; Wheat Commission.*

(xxvi) *Board of Brewing, Distilling, and Allied Trades*

This Board will be related to the Food Production Board, and also to the Hotel, etc., Board, the three Boards forming a joint Board for furthering common interests.

Guilds for Brewing; Scotch Whisky Distilling and Blending; Irish Whisky Distilling and Blending; British Wine Merchants; Wine Shipping.

(xxvii) *Hotels, Restaurants, and Public Catering Board*

The guilds engaged in providing hotels, inns, public houses, restaurants, and catering of all kinds will be grouped here, and associated with them will be individual enterprises, which will be characteristic of this industry. Under the Board's auspices there will be extensive organization of hotel accommodation throughout the country on more efficient lines than have hitherto existed, with more complete facilities for travellers everywhere. Holiday centres will be established in seaside and country areas, and communal restaurants and hostels in all urban areas, not merely for workers,

but for every one, where good lodging and cheap, ample, and tasty meals will be provided.

Guilds for Residential Hotels; Non-Residential Inns and Restaurants; Holiday Centres; Communal Restaurants and Hostels.

*The Home Office (State Management Districts).*

(xxviii) *Board of Domestic Service*

The 'servant problem,' acute before the War, may be insoluble after it, unless a solution is found in an entirely new treatment of the occupation and a new status established for those engaged in it. All domestic workers will be required to belong to their vocational union, and a Domestic Service Guild should be organized to provide domestic service for those who require it, enabling wives, if they so desire, to devote time to occupations other than housework. The day of the 'general servant' will be over, and 'servitude' will be ended. There are many girls and women who like housework, and would engage in it were the conditions tolerable. The Domestic Service Guild should undertake housework for families and individuals, cleaning, cooking, housekeeping, mending, and so forth. Its members should be vocationally trained, and the day of the inefficient servant should be no more.

Domestic Service Guild.

(xxix) *Board of Distributive Services*

The retail distributive organizations at present in the hands of consumer co-operative societies, chain stores, departmental stores, individual shopkeepers, market stall-holders, and mail order businesses, should be a national service operated as a national distributive guild, with regional and local organization. The guild

should have its stores in every urban and rural centre. There would be provision for independent guilds, and for the individual craftsman-trader, for in no direction is monopoly more hurtful and less capable of recognizing its responsibilities than in that of retail distribution. Not perhaps for nothing did Plato say in the *Laws* that retail trade is one of those callings 'which have a marked tendency to predispose to vice'! The success of a distributive system is largely dependent upon the variety of choice it offers, and the extent to which it enables the consumer to exercise preference. Choices and preferences are indeed important parts of the economic process, and in New Britain their extension will be studied and their bearing upon production will be given full effect; for economic freedom means that as consumers we can have what we choose.

There can be no doubt, as the co-operative societies and chain stores have proved, that considerable economies are practicable, and that a much more efficient and less wasteful distributive system than is possible at present can be operated. The co-operative movement has shown how commodities in general use can be distributed by voluntary associations with social aims, and much may be learned from the long experience of that movement. Also it provides evidence of the dangers of a distributive system released from the pressure of commercial competition; for the management of societies is not always proficient or conscientious in maintaining prices at their proper level, nor always capable of providing efficient service, and the combination of societies in the Co-operative Wholesale Society has created an immense trading concern noted for rigidity and lack of initiative. When the actual workers, the managers, buyers, and shop assistants,

are more directly responsible for the conduct of the societies, it is possible that these shortcomings may be rectified, for their status will be raised and they themselves will represent the ideals of co-operation. Those ideals will, indeed, be woven into the basic structure of the new society.

In New Britain relations between shopkeeper and customer will inevitably undergo change, for the subservience of the shopkeeper will not become profitable. To preserve equilibrium in the distributive service between the store and the consumer, representatives of consumers should be appointed to the Guild Council, and to its local and regional committees. One-half of the members of each of these bodies should represent the workers and one-half the consumers; the election of consumers' representatives on the local and regional Distributive Guild Committees should be on the same register as that for elections to local authorities and regional councils and be conducted in the same manner; the Regional Committees to make the appointments to the National Guild Council. The chairmen of the Council and the Committees to change each year, to be alternately a worker representative and a consumer representative.

The cost of distribution is a large constituent of prices; the consumer, generally speaking, pays for the goods he purchases from two to three times the amount received by the producer, the total cost of distribution, wholesale and retail, being from 50 to 70 per cent of the selling price, sometimes more. In nearly all widely advertised goods, publicity and advertising costs further increase this proportion. It cannot be said that the consumer receives value for this extravagant system; certainly the choice offered to him is fairly wide, but

the price he pays for it is high. The disparity between the return to the grower of agricultural products and the price paid by the consumer is notorious.

It is worth noting (1) that the retail distributive system employs approximately two million persons; (2) that approximately 90 per cent of retail establishments are small shops largely dependent upon family labour and having small individual turnovers; (3) that these small shops handle about  $57\frac{1}{2}$  per cent of the total goods distributed, of the remainder about 20 per cent is distributed by chain stores, about 15 per cent by co-operative societies, and about  $7\frac{1}{2}$  per cent by departmental stores. The National Distributive Guild would absorb the chain stores, co-operative societies, departmental stores, and the larger independent shops, but most of the independent shops have no justification for continued existence. There are far too many shops (in the urban districts there is one shop for every fifty-five men, women, and children), and proposals for licensing have been seriously considered.

The wholesale distributive system, which is a valuable part of the existing trading system, should form part of the National Distributive Guild, and should not need to be operated as a separate service. The guild will have direct relations with producing guilds, and the intermediary functions of the wholesaler will not be required. There will be an advantage in this, for, as I have said, the closer the producer is brought to the actual distributor the better. Individual craftsmen and the small independent producer may find the wholesaler or factor of some utility, but they too will get the best results from direct contact with the distributing system. To the extent that wholesaling is

required, it should come under the direct control of this Board.

Certain industries, such as motor cars, cycles, etc., may find it convenient to have their own distributing, servicing, and second-hand sections, operated directly in association with the producing guilds.

The scope for organization and economy in the distributive system is unlimited and it will be the duty of the Board to see that this task is not neglected, for complacency in this respect would be unpardonable, since distribution is the final stage in economics. How to distribute equitably, so that every one has enough, economically, so that the cost is as low as possible, and quickly, so that nothing is wasted, are the problems. Distribution is not a merely mechanical process, nor a rough and ready affair, but a delicate matter calling for sympathetic understanding of public needs. Shopping is a highly developed art and a form of entertainment enjoyed by all women and most men. The following point has bearing upon what has been considered here. Economics has hitherto been the act of producing and distributing goods and services too small in quantity for every one to have them. To maintain at least some degree of scarcity was an aim of those who guided the process, for a surplus was always highly disturbing, and, without scarcity, values could not be maintained: to justify scarcity has been the task of economists. In the New Order, the art of economics will be to deal with abundance, and the task of economists will be to get the widest distribution and to make the best use of production.

National Distributive Guilds; Trader-Craftsmen's Guilds.

(xxx) *Board of Economic Professions*

Technical men who are engaged in professional advisory and other work in the economic system should be associated in special guild organizations.

Guilds for Civil Engineers; Mechanical Engineers; Electrical Engineers; Surveyors; Architects; Auctioneers; Advertising Consultants; etc.

(xxxi) *Board of Finance and Banking*

This Board will be responsible for the budgets and the general finance of the economic system. The social order will be financed through the economic productive power, not by taxation and individual saving. This matter has been discussed already. The Banking Guild will be the accounting organ of the system; it will have sections for the civic and cultural orders, and will be at the service of the citizens generally. The money required by the economic guilds will be passed to them through the Banking Guild, which will take charge of the guilds' revenues. The function of the banks will be largely mechanical, following the function of money, which will be the medium of exchange. The Banking Guild will charge for its services, and no interest will be paid on accounts.

The Guild of Accountants will provide auditing, costing, and accounting services, and many accountants will also be engaged in the administration of the various guilds, but the place of accountants in guild administration will be different from what it has come to be in industry in the old order, where an accountant was often put in control. The accountancy mind has its uses, but is usually not creative, and the ubiquity of the accountant has contributed to the soulless character of business and to its sterility.



The Insurance Guild will be functionally responsible for insurance, and will be closely associated with the Banking Guild. Lloyds should be a separate guild. Insurance practice will be considerably affected.

Guilds for Banking; Accounting; Insurance; Lloyds.

(xxxii) *Private Initiative Industries Board*

The function of the Board will be to look after the interests of and to regulate the independent craftsmen, who are not attached to a trade guild but who may belong instead to a private industries guild, for all economic workers will be required to belong to a guild. The Board will provide facilities for individuals to set up on their own account, and in particular will be the means of providing capital for new industries and small industries, about which much has been said for many years, but little done. The number of persons engaged in an independent economic unit will be limited to, say, five, and conditions of work and pay will be regulated by the Board.

Guilds for Private Initiative Industries.

(xxxiii) *Land Development Board*

Land will be public property, its rights being leased by the Treasury. Development will be undertaken by local authorities in connection with town and village development, by the guilds for their own purposes, and by the agricultural guilds. The function of the Board will be to see that the fullest use of land is made throughout the country, and it will be concerned to see that effect is given to national economic policy, which will be settled by the Economic Planning Board. It will take over the work of the Forestry Commission,

and take charge of such land interests as that of the Duchy of Cornwall, which do not come under any other Board.

Guilds for Housing; Land Development; New Towns.  
*Forestry Commission; Duchy of Cornwall;*  
*Duchy of Lancaster*

(xxxiv) *Economic Planning Board*

Economic Planning has been constantly under discussion in recent years, much has been written on the subject, little has been done. This Board will constitute an Economic General Staff, and will be appointed to be responsible for the planning of the economic system as a whole. It will form a part of the Central Planning Board, in conjunction with the planning departments of the other Chambers, for the planned co-ordination of the entire social system, civic, economic, and cultural.

The Economic Planning Board will require members with wide experience of economic life and possessing imagination, together with a staff of the ablest men in the country. Its first duty will be to maintain up-to-date estimates of the economic resources of the country in man-power, material, and equipment, which are not constant, but constantly varying and expanding. It will define the actual production required from each guild, after taking resources into account, the amount of production being so much of the service or commodity as will equalize cost, including the Exchequer contribution, and the total price that will be paid for the product, having regard, of course, to the need from time to time of surplus production and to the possibility of reducing prices. The Board will be concerned to maintain employment, and to prevent both under- and

over-production; it will have the great advantage of surveying the entire economic system, and will thus be enabled to maintain equilibrium. It will proceed by the method of trial and error, practical experience will be its guide, and it will create the material for the new economic theory of the future.

The organization of man-power will be a central element in economic planning. There will be no regimentation of labour, for in a free society choice of occupation must be open to all; but waste of labour is a social crime. During the War every one is pressed to work, and to be idle is a calamity. When peace comes and reconstruction has to be tackled the demand for labour should be no less, and the means of organizing it and directing it to productive ends should be equally as purposeful as during war.

The Economic Planning Board will have the task of ascertaining the man-power required for the total economic effort, in what industries, and in what places, and will have to handle the problem of the use of surplus man-power in particular industries and localities. The Board will have to plan for immediate needs as well as for long-range requirements. Post-War reconstruction will occupy its energies for a long time, but immediate action will be related to a replanned national life. Great pressure will be put upon the Board to sacrifice the vision of the future; this must be resisted, which will be possible with confidence in the power of achieving desired ends.

Natural resources come next to man-power; to increase them, to use them fully, and to protect them from misuse will be an important element in national planning. Animals, vegetation, timber, minerals, water-power, and the soil itself are the sources of

wealth and must be treasured and developed for the social good.

An important aspect of the Planning Board's functions will be concerned with the policy of maintaining stores of commodities, both home-produced and imported, with the object of taking advantage of gluts in primary production due to natural factors and meeting scarcities due to those factors. In this function the Board will be associated with other Boards, including the Food Supply Board, the Price Fixing Board, and the Boards concerned with imperial and external relations.

Individual guilds will be engaged upon preventing wastage and increasing productive capacity, and the Board will have to see that the highest standards are maintained. Research and statistical work will be an important section of the Board's duties. The Federation of British Industries, the British Employers' Confederation, and the British Chamber of Commerce will cease to function with the cessation of employers' interests, but their research and statistical organizations will be absorbed by the Planning Board. We have not yet enjoyed the full application of science to industry as the economic system has not been capable of accepting it, and such scientific research as there is is unco-ordinated and much of it unused. Each Economic Board and important guild will have its own research unit as an integral part of the economic research system. The central research department will organize the scientific ability devoted to economic processes, provide for the pooling of knowledge, and be the means by which problems can be studied and solved. An increase in productive capacity is to be looked for, as well as the perfecting of quality,

the saving of labour and material, and cost reduction.

A revision of the patent laws has to be made. Only those inventions should be accepted that are really new, and patents should be available for the use of the guilds on payment of an appropriate fee. No patentee will be able to dispose of the exclusive rights in a patent; the same principle will apply to designs and foreign patents. The inventor will have status as a technician in a guild, or as an independent worker who with others might form an inventors' guild.

Questions of industrial location and the siting of factories and economic establishments will come within the jurisdiction of the Board and will be settled in conjunction with the Ministry of Planning and the regional civic bodies which will be the town planning authorities.

*The Board of Trade (Statistics Department, Intelligence and Parliamentary Branch, Department of Industries and Manufactures); Patent Office.*

#### (xxxv) *Price Fixing Board*

Prices of products and services will be fixed by the guilds concerned, having regard primarily to cost of labour and material and to Exchequer assessments made upon them; but there will be other elements in prices, which will be subject to the scrutiny and final approval of the Price Fixing Board, and may be adjusted by the Board in consultation with the Economic Planning Board. Even in a partly planned economy prices must be controlled, and in a fully planned economy, such as the New Order will establish, no other price system is possible than that of

fixed prices subject to independent scrutiny; for planning interferes with the freedom of the market. Prices of consumer goods are in general too high, and there is a margin for reduction. Costs will no longer be a secret. The Board will lower or raise prices when it is desired to encourage or restrict the distribution of certain goods.

Price fixing will be an important function. The general principle will be that all goods at every stage of production will be priced. Cost control in production will be observed, which means that the cost of a product will be fixed beforehand and the producing organization will work within the cost limits set down, with inducement for reduction. The perfecting of the economic process will be directed partly towards the reduction of costs, and therefore of prices.

It will be the duty of the guilds to price their total product correctly. If costs and the Exchequer contribution remain constant and the amount of production remains the same the price per unit will be constant, but if cost varies, the amount of production will have to vary to maintain the price, or if production varies, the price will have to vary to maintain equilibrium. The aims should be to maintain a constant price, with allowance for seasonal variations where that applies, to increase production up to maximum possible demand, and to reduce prices.

#### (xxxvi) *Board of Economic Vocations*

This Board will take over the functions of the Ministry of Labour. Henceforth 'labour' will not have the inferior position that it has to-day. The Board will be responsible for employment, rates of pay, vocational training, and the regulation of conditions of service in

the guilds generally. Seasonal unemployment will be a guild responsibility, but unemployment due to changes in taste or reorganization of production, or other general causes, will be met by the Board, which will be responsible for the best use of man-power. An important part of the Board's work will be in connection with the organization of the under twenty-seven part-time workers.

*The Ministry of Labour.*

(xxxvii) *Economic Pensions Board*

Workers who reach the age of forty-nine will be entitled to retire on pension, according to their status, unless they chose to remain at work in their guild, with the consent of the particular guild council and in accordance with the guild's regulations. Economic pensions will be administered by this Board. In the event of incapacity pensions would be payable at an earlier age.

(xxxviii) *Board of Commonwealth Economic Relations*

Through this Board the Economic Chamber will have membership of the Commonwealth Economic Federation, in which all economic questions affecting the Empire will be dealt with, including imperial imports and exports. The stabilization of prices of primary products will be arrived at. The Board will be associated with the Ministry of Commonwealth Relations and with the Council of Commonwealth Culture. The functions of the Dominions and Colonial Offices will be taken over so far as they deal with economic matters.

*Imperial Communications Advisory Committee ;  
Imperial Economic Committee ; Imperial Ship-  
ping Committee.*

(xxxix) *Board of International Economic Relations*

Economic relations of every kind with countries abroad will pass through this Board, which will take over the functions of the Board of Trade relating to commercial relations and treaties, as well as the economic functions of the Foreign Office, and the International Labour Division of the Ministry of Labour. The Board will have membership in the various international Economic Federations. In relation to imports it would decide in consultation with the trade group concerned and the Planning Board what kind and amount of imports were required, imports would be regulated in accordance with the policy thus formulated, price stabilization will be aimed at by international agreement. Importing guilds forming part of the trade groups will handle imports. Exports will likewise be regulated, having regard to home demand and total capacity, and exporting guilds in association with the trade groups will handle this business. Import and export policy will be influenced by the Central Planning Board.

International debt must be dealt with, as it is a New Order principle to liquidate debt. This will be done by international agreement and by pooling obligations, with an arrangement for disposing of the balance over a period.

It may be assumed that effect of the War upon international trade will be far-reaching. The standard of life of most countries will be seriously affected, and international economic relations will be concerned with the re-establishment of the economic life of countries where it has been upset. There must be no attempt to take advantage of economic weakness to capture



markets, and the kind of economic warfare to which the world has been accustomed will cease.

*The Board of Trade (Department of Commercial Relations and Treaties ; Department of Overseas Trade) ; Ministry of Labour (International Labour Division) ; Import Duties Advisory Committee ; Export Credits Guarantee Department ; H.M. Customs.*

#### XIV. FREEDOM IN THE ECONOMIC ORDER

If the scheme of Economic Boards that has been outlined seems to be large, let it be considered that our economic life is extensive and complex. I am no advocate of the composition of boards for their own sakes, nor would I propose a single board, council, or committee where its formation could be avoided. I believe in personal initiative and responsibility; but there must be consultation and collaboration, boards and councils exist for co-operation and to aid personal effort. The guild system is not in place of personal initiative, but to guide and encourage it. The guilds and boards exist for the sake of functions, they are limited to their functions, the scope of their activities is defined, and their success will readily be ascertainable. For reasons that I have given, I consider that the new economic system will have a plasticity greater than that of the so-called free economy of the present, and will avoid the rigidity and lifelessness of bureaucracy. New Britain will possess a soul in its economic system, which will enliven it in every part.

Yet it will not be ignored that social necessity is the characteristic feature of the economic system calling for discipline and obedience. The test of

economic freedom is liberty to serve the law of things, economics being the realm of material and the machine. Personality and individuality belong to the political realm, and above all to culture, where discipline is self-imposed and mastery is from within—there true freedom lies.

The object of the economic order is the prosperity of the community, to produce the wealth on which the life of the nation depends. The Boards enumerated above, whose functions have been very briefly indicated, and the guilds, which will be the particular organs of economic activity, will have the duty of creating and distributing wealth. They will not be instruments of political power, and the ethics they will observe will be the observance of the greatest measure of equality. For although persons are not equal, being in fact very unequal, and although the status of men will differ according to the responsibilities they are able to assume, yet the good of the community should be equally available to all.

Under the economic system of New Britain, industry will be relieved from subjection to that regulation of economic life which causes the service of debt to fall with heavy hand upon the productive process. When debt has not to be served, the rule of perfection can be the satisfaction of needs. The ethical principles of the New Order include the conservation of resources, the saving of labour, and respect for the product. Work will become a dedication, not a mere matter of pay.

Freedom in the economic order means the release of energy. The man who expends no energy is without economic significance, and the valuable man economically is he who works with the maximum of creative ability. Division of labour is the feature of modern

economy, which means production for the common pool. The worker does not control the product but lets it go; therefore, maintenance must be guaranteed to the worker. These principles form the basis of the New Order economy, the bare outlines of which have been sketched in this chapter.

Association, team work, dependence upon others, the common good, will run throughout the economic system. Wage relationships and the category of hired labour will be abolished in favour of status. Ability and skill, not favour or birth or money power, will determine status. Labour will become a brotherhood.

Income will be derived from labour or from work in a civic or cultural guild or from pensions, to which the National Dividend is added. For a period there will be those who also have allowances in respect of capital compensation, but there will be no incomes from investment.

The early age at which retirement will be possible will be one of the fruits of the new economy. Leisure will be available for men and women at an age when they can make the fullest use of it. Men will not retire from work to die, but to live in the enjoyment of social wealth. At forty-nine a man has reached the height of his powers, his physical energy is about to decline, but his mental energy is on the increase, and he can devote himself to the ripening of experience and to the culture of his soul. What we call civilization is the product of leisure, for leisure means the spirit, and the new civilization will be inconceivably richer than any civilization of the past because leisure will be more widespread.

When the War ends the country will be short of

capital. Property will have been extensively destroyed, the store of goods will be reduced, and a large proportion of the plant and equipment in existence will have been designed for war production and will be useless. In the new planned economy, which has been described, the change-over from war to peace production will be facilitated. It will not be a long process to make good the loss of capital. Up-to-date buildings, plant, and equipment would make a great difference to economic prosperity in almost every industry. The source of wealth is in the lives of men and in nature, and all that has been lost can be recovered on a higher level of achievement than the old. Those who have died will have given their lives for the New Order, and it is for us to justify their sacrifice. In the prospect of the future we have the greatest constructive opportunity that has ever fallen to mankind. When we grasp the truth of that, we shall not wait upon events, but engage upon the task without delay.

## Chapter V

### THE NATION

*We may safely forecast that the Coming Country will be that one which first sees the significance of the inner craving for spirituality. The country which first dares to put religion in the forefront of its activities, above politics and above business. And first ventures to use its laity, as well as its clergy, and its women, as well as its men, in the direction of its spiritual life. To put spiritual above intellectual education. And to regard the home as above the school or the church in the upbringing of children. The Coming Country . . . may be England—if she will only find her soul. Whichever country it may be, it will be scorned at the time. The better is always spurned by the good. And it will need a sublimer heroism and a steadier nerve than ever war demands. But in the long centuries it will be hailed as the Saviour of the world and adored above all others.*

SIR FRANCIS YOUNGHUSBAND

By the nation is meant the community of men co-terminous with the area of the state and society, which has its own institutions of culture. The object of the nation is to maintain and increase the quality of civilization, to preserve tradition, to acknowledge ideals, and to practise liberty. The guardian of freedom is the state, but the values of freedom are in the nation. In the New Order nationality is not diminished but transformed; for national aims that have no hostility to other nations contribute to the human household.

Culture is the end for which the social organization exists, for culture is manifested in personality. Individuation or genius is the cause and product of culture, and all cultures that originate from and have the qualities of the mass are degenerate. Mass is the uncultivated community: individuals speak with

their own voice, act from themselves, and witness to uniqueness.

### I. THE CULTURAL CHAMBER

The Cultural Chamber, which is the third Parliamentary institution of the New Order, will be responsible for the cultivation of the bodily, mental, and spiritual nature of the community. It gives meaning to freedom. It will be a spending authority, enabling the social income to be enjoyed. It is to the social organization what the head is to the body, it provides guidance. It possesses vision and in its light the human family is a whole and each individual an incomparable unit. The Cultural Chamber points out direction; but does not rule: rulership has a triple-headed sceptre and represents the equilibrium of the parts. When culture assumes to rule the social organism, there arises the absurdity of art for art's sake, or the sterility of the intellectual, or religious intolerance. Culture rules in its own sphere, for in religion, science, and art there can be no division of authority, so that the Cultural Chamber is autonomous. No legislation affecting it can be passed by the House of Commons without its consent, and, as with the Economic Chamber, in the event of dispute a joint meeting of an equal number of members of the Chamber and the House of Commons is to be held, and, failing agreement, a referendum of the electorate taken.

We belong to the nation by necessity: 'nation' comes from the Latin word meaning to be born. Therefore the Cultural Chamber is concerned with every one at every age, it is at once intensely national and world-wide; for culture, deeply rooted in locality, has affiliations

throughout the earth. In the Chamber for Culture is achieved the union of religion, science, and art, the future, the present, and the past.

The Chamber will be composed of representatives of churches and the various cultural guilds, its membership being approximately six hundred, elected by the grouped associations out of their own members in proportion to their number, places in the Chamber being allotted to the particular groups—religious, scientific, artistic, medical, educational, publishing, press, sports, etc. The national cultural guilds will be set up by charter under the legislative authority of the House of Commons, in the same manner as the economic guilds, each guild being responsible for (1) carrying out the objects of the guild; (2) the admission of members, their remuneration and duties; (3) the regional and district organization of the guilds; and (4) co-operation with other cultural guilds. There will be a large variety of cultural guild organizations, and some parts of the cultural order will not be in the form of guilds, such as the churches, nor will all cultural associations be vocational bodies.

The Cultural Chamber will be in continuous session. The age limits for membership of the Chamber will be in accordance with the age limits of the guilds, which will vary.

Cultural institutions have the function to announce the direction and aim of national existence for the guidance of the House of Commons and the Economic Chamber. In the functional order, thinking has the position of headship, and thinkers have the place of honour. The insistent demand of H. G. Wells for the organization of brains will be satisfied; and under the influence of the Cultural Chamber and from its schools

men and women will go into the civic sphere to enlighten justice and to ennoble politics, and into the economic sphere to apply science and art to goods and services, to increase and beautify them. 'There ought to be,' said Patrick Geddes, 'a spiritual power independent of the temporal power, educating and counselling it.'

## II. RELIGION

The chief cultural factor is religion: for religion is the guarantee of freedom. The place of religion is therefore in the leadership of the Cultural Chamber. This implies the unity of the churches, for while they manifest the spirit of disunity they can hardly guide the nation. A common platform for the Christian churches is therefore urgent. Much serious attention has been devoted to this matter, but progress needs to be hastened. A step forward was taken a few days before Christmas 1940, when a statement was issued under the signatures of the two Anglican Archbishops, the Moderator of the Free Church Federal Council, and the Roman Catholic Archbishop of Westminster, announcing their agreement on the five peace points of Pope Pius XII as 'the foundation of national policy and of all social life,' in which they went further by adding five points of economic importance establishing 'standards by which economic situations and proposals may be tested.' These five standards were:

1. Extreme inequality in wealth and possessions should be abolished;
2. Every child, regardless of race or class, should have equal opportunities of education, suitable for the development of his peculiar capacities;



3. The family as a social unit must be safeguarded ;
4. The sense of a Divine vocation must be restored to man's daily work ;
5. The resources of the earth should be used as God's gifts to the whole human race, and used with due consideration for the needs of the present and future generations.

This joint declaration is an important new departure, for though Anglican and Nonconformist Churches have been associated before, the Roman Catholic Church has hitherto stood aloof.

To say that Christian unity is essential is not to say that the differences between Catholic and Protestant are of no account ; but that the unity of Christendom is of more importance than any differences whatever. The reconciliation of churches is the first step towards the reconciliation of the nation, which prepares the way for the New Order. What is required is not, of course, organic union, or dogmatic agreement, but the joining of hands. There are plenty of nominal Christians. The Anglican Church claims 2,294,000 members and has 12,683 churches, the Roman Catholic Church 2,316,000 members and 2,196 churches, the various Nonconformist Churches have approximately 3,000,000 members and 13,000 churches, but the Christian brotherhood is broken.

Without demonstrated and positive unity the leaders of the churches will lack the authority which they need for leadership ; and the responsibility upon them in their sphere is as great as that upon politicians and industrial leaders in theirs. What is required, I say with respect, and not ignoring the significance of what has just been done, is not declarations upon

political or social issues, but the simple achievement of Christian unity. The great task is to deepen the moral and religious constituent of the soul of man so that the step into the unknown future may be taken with confidence. Social reconstruction will make such demands upon men's souls that only by the aid of the strongest ethical principles and through the most unshakable religious conviction will the response be adequate. Should the churches fail, which God forbid, the leadership of the nation will pass to men of science, for cultural leadership there must be, and if the churches cannot supply it the nation will find it elsewhere.

Religion extends beyond religious associations, and Christianity is not restricted to churches that speak in the name of Christ but do not the things that He said. There is religion in the hearts of those who profess none, and that unacknowledged but yet operative religion will save the nation if those who profess religion will not do so. The Church is a Divine Community, but the Body of Christ extends beyond all visible institutions. If men of science speak, as they must, in the name of present fact, in this living urgent moment of history, they will do so breathing Christian air and speaking to Christian souls, though they speak the language of science. This, indeed, is the critical issue of our time, are the churches to lead in the establishment of national values, in the sanctification of national effort, and in the announcement of the meaning of life, or is science to take their place?

There is a further step; for not only have the churches to achieve unity among themselves, but there must be unity among religions. Not only must Christianity overcome its divisions, but religions must reconcile.

In the reconciliation of religions mankind will recognize the ideal, the divine, the perfect, whether called God or some other name, as the beginning, middle, and end of human evolution. Unless we reconcile in religion, that is, recognize each other without the desire to dominate, the possibility of civil war remains. To-day all wars are civil wars, their cause lies in religious conflict; the refusal to permit the other man's adjustment to God.

Without religion spiritual culture declines, the sublime and exalted spirit perishes, and, indeed, there can be no nation; so that without a true religion there needs must be a false religion such as a materialistic faith or the substitution of science, and, anyhow, the nation will pass away. Experience shows that nations who do not act in the name of God invent a unifying principle, even though it violates them, for nations must attempt to live though they be maimed. There is a lower religion, as Nazi Germany has proved, a Satanic enthusiasm, in which evil is chosen as good and passion usurps reason.

The Church in its spiritual function is not one body among others, but unique and divinely appointed, though it is broken into many forms; but as institutions with officers, rules, and premises through which they work the churches are one among other institutions; as such their function is not to rule over other institutions or to exercise authority outside their own association. The Church is spiritually concerned with the whole of human life, and its influence should be felt everywhere; but the authority of the churches as institutions is that of associations whose rules apply only to their members, and to them only in their church. No greater confusion can befall a nation than when the

churches interfere in education, or science, or art, which are closely related to them, but different in their ends and functionally distinguishable. The Church is the guardian of the principle of personality, of human responsibility, of the sacredness of the human family, and of the end of man in God. It exists to announce the kingdom of God and the good news of the Gospel, but it is not another form of totalitarianism, and to say that it is God's creation is not to say that it is absolute. The churches' function is so to guide men that in every association Christian principles are observed; but they possess no function to enforce action, which is the responsibility of individual consciences. Their rules are for their own association and for their members in relation to their objects, and are not to be applied elsewhere. The practice of the Catholic Church is not without ambiguity on this point, and the Protestant Churches constantly trespass; but in the cultural realm of the New Order there ought to be no ambiguity nor transgression.

### III. SCIENCE

The relation of science to religion is that science depends upon an ethical attitude to life, therefore religion is or should be allied to science and active in its defence. Science in all its aspects is a supreme instrument of culture because it represents the quest for truth. Without science men are brutish, for to be unscientific is to be ignorant. Science is concerned with the present, as religion is with the future; therefore without science mankind cannot progress. Science has its special instrument in the intellect, its language is essentially measurement; by itself science is not

concerned with utility, only with what is; as a popular scientific writer says: 'A good scientist will be impartial between Mr Smith, a tapeworm, and the solar system.' This impartiality of attitude makes the place of science in the cultural realm next to the highest, and to bring men of science into equal consultation on matters of national culture would effect a revolution in national existence. In cultural planning science will illuminate aims, in political planning it will enable statesmen to anticipate and control events, and in economic planning it will make possible the abundance that man desires. Technology, which is used as a synonym for science, is actually an application of science and belongs to the economic sphere. All technology needs to be kept closely in touch with its origin, called pure science, for it tends to crystallize unless constantly renewed; technology is the machine, science its human origin.

#### IV. ART

Religion is concerned with the future, science with the present, and art with the past, a trinity that cannot be divided. Without art the most enjoyable and exhilarating aspect of the past is lost and the values of tradition and experience have no form. Art arises in the realm of the imagination; by art man works in matter, his desires and aspirations are vitalized, and beauty is the product. Through art the joy of existence is expressed, so that every man needs must have some art. Art is not a profession, for all men are meant to be artists. Art requires leisure, and the ethics of art consist of the right use of leisure. How to use leisure is the artist's particular knowledge, in

which every man should be instructed. More and more leisure will become available as science becomes applied in economics, so that art will become of greater importance in the future than it has been, and the truth that the greatness of a nation is seen in its art will be realized. The place of art in the Cultural Chamber, represented by men who devote their lives to its service, is in the unity of goodness, truth, and beauty, which brings men to the final ends of life.

#### V. EDUCATION

Religion, science, and art are the guardians of education, which is the function of age in relation to youth, the duty of training the child to become mature. Every human being has to grow up so as to assume responsibility and during the process of growing up education takes place. Therefore in the New Order education is a sacred task. Education has various stages and aspects: to train perception, to make the body skilful, to inculcate reverence for truth, to give instruction in art, to make available every knowledge, and to fit the individual for his vocation, but its supreme task is to enable individuality to develop so that the true nature is unfolded. Individuality means uniqueness, and to provide for its fulfilment is the art of education.

Age is the important factor in education. In the first seven years from the moment of birth, the form of the soul is determined, so that the child should be in the care of the wisest teachers, therefore of old people. The practice of letting little girls take charge of babies is the greatest folly. As age progresses teachers should become younger, as Aristotle laid down.

Childhood is an unhappy time for many children, not merely because education is a system of restraints and compulsions, but because the human environment is not adjusted to the awakening body and mind. This is partly due to ignorance as to what is happening to the child. It should be known that the first seven years is the period in which the child becomes aware of the world, the second seven years the period in which the moral nature develops, the third seven years the period of intellectual development, which, when completed, brings youth to maturity and to responsibility. Education is not even then completed, for vocational training should continue for a further seven years, but in that period the individual should take an active part in his own education. During the last seven years, too, the young man, whatever his future career is to be, should spend part of his time in an economic function among what are called operatives, so that he knows what economic tasks are and will have had some share in them. The alternative for young men will be full-time service in one of the defence services for the same period; for girls, domestic work of some kind. Thus every man and woman should have a trade.

Education in the New Order will not be controlled by the state, but will be entirely subject to the Cultural Chamber. The evils of state education are to be seen everywhere, the young sacrificed to political ends in every country. Though in totalitarian countries the sacrifice is most complete and shameless, every state inculcates ideas favourable to itself, teaches history of its own making, and presses the mind of the child into its mould. Nowhere does education exist for the sake of the child, everywhere education is used as an instrument of class or other interests valuable to the state.

This will not happen in New Britain. With education in the hands of teachers who have no interest other than that of the child's future, and, guided by those final ends, the good, the true, and the beautiful, the child will be brought up as a member of the human family, knowing his duties and what is meant by fulfilling his functions, able therefore to be a good citizen, a useful member of society, and capable of making his contribution to national life. In the course of a single generation under the New Order, it should be possible through education to get established in the nation a world-view and sense of human solidarity, for the child, as well as being taught that he is English, or Scottish, or Welsh, or Irish, would be taught that he is a member of the Commonwealth, at the same time that he is a European, and belongs also to the world.

The complete educational opportunities of New Britain will be open to all, and there will be no economic difficulties in the way of any boy or girl training for any profession or occupation. All education will be national and free from nursery school to university; there will be no private schools, and no class or public schools, a single educational system being operated by the educational guild. Education will be regionalized and based on the university in each region, so that from the universities education will spread to the tiniest hamlet and to every child.

There must be full scope for educational experiment, and the educational guild should provide for teachers with new ideas and new methods to put them into practice. Also, although there will be one educational system, there will be higher branches for those who can reach them, but the ladder will extend from top to bottom, with no obstacles in the way. The system of



national education will not be designed to create equality of mediocrity and sameness, on the contrary its object will be to develop innate abilities and to give every one an equal chance. Differences of talent have social value, and to facilitate the development of diversity and variety will be an educational principle, recognized as a potent means of enriching the national life.

Vocational education will be conducted in association with the Civic and Economic Chambers.

## VI. THE FAMILY

The unit of national life is the family, which is not a civic, nor an economic, but a cultural unit. Though the elements of politics are essentially in the family, which is a school of human relationships, and the very elements of economics are rooted in it too, for human productive power arises from the family, yet it is in a cultural sense that the family has to be considered, for the nation consists in its inmost structure of families knit together, and associated in common ideals. The cult of the family will be cherished in the New Order, and the questions: What is family for? What are the duties owed by members of a family to each other? will be answered. At present the family is taken for granted, but so oppressive are its bonds felt to be, and so onerous its unexplained obligations, that families tend to break up under the strain, and doubt is commonly expressed as to the value of family life.

What then is the function of the family, the simplest form of human association? It is mutual support between old and young. It is the place where age and youth are at one, where sexes are harmonized, where each member knows his place. It is the model of

human society. In the transition between the First World War and the present, young men and women established their ascendancy, there was a revolt of youth, the child became the master of the family, and the result was a rapid decline in family life and happiness. Boys and girls took charge of their lives before maturity, and regarded intolerantly the old-fashioned outlook of their parents. There was justification for this, because parents were not fulfilling their own functions, not being sure of themselves or what those functions were. And there was something admirable in the independence of the young. But youth was out of adjustment with its environment, its maturity was frustrated, and often never attained, for irresponsibility became cherished as a merit. This was because there was nothing to believe in, no present with any real satisfaction, no future to which to look forward. The Second World War is the response to this state of mind.

Marriage creates the family. New marriage relationships must characterize the New Order, in which there will be no place for easy divorce, and where the marriage relationship is sealed by fundamental need. All human antagonisms arise in sex, and from sex, too, all human energy proceeds. Marriage, therefore, is the most creative of human relationships; it is the holy bond of the social order, and its experiences are the inspiration of the social organism. With the extension of the educational period to twenty-one, followed by vocational and economic tasks for a further seven years, the marriage age will be delayed, and generally will be postponed for men until twenty-eight years of age is reached. Sexual precocity will be discouraged in the New Order educational system.

The family, not the individual, is the social unit,

but for the sake of integrity of family life there must be unions of families. Isolation in families is the next worst evil to individual isolation, and the family should find relief from the tension that the single family generates, closed in upon itself, by association with other families. Communal living as an alternative to family life is contrary to the spirit of the New Order; but there must be inter-family relationships to protect families from too intense concentration upon themselves, or from internal weakness due to lack of domestic equilibrium. Motherhood and fatherhood should extend beyond the single family; every child should feel that it has a father in more than one man, and a mother in more than one woman.

As in the economic order private property is abolished, so in the family, too, possessiveness will pass away. Husbands will not possess their wives or wives their husbands or parents their children. There will be ties, duties, and obligations, with freedom, guaranteed by the National Dividend, for despotism in the family is usually economic. The National Dividend will prevent the child from being a burden to its parents, and will thus foster an independent spirit in children, and wives will no longer be wholly dependent on their husbands.

The family and groups of families are the units in the community which make the national environment to which history, tradition, and race belong. The family is the breeding organ of the nation, and to breed the best types of men and women should become a national aim. A true eugenics should be practised, the eugenics of higher values for all men in better bodies and minds. To encourage genius will be the eugenics of the coming order, and in every family the meaning of breed should

be understood so that genius may be conceived and born. Economic and class conditions having been removed, which have made the small family the normal unit, there will be encouragement for parents to have more children, so that a larger and more natural family unit can be expected than the one child to which parents have recently limited themselves.

To maintain the right relationship between youth and age should be characteristic of the New Order, in which age is honoured and youth has its way. The special sphere of youth will be the economic sphere, where energy is expended. Age belongs especially to the civic sphere and in the cultural sphere one never grows too old. The rule for intercourse between old and young should be that youth listens to age, but makes up its own mind and acts on its own responsibility.

#### VII. THE CULTURAL COUNCILS

The special features of the cultural order in addition to those already referred to can best be indicated by outlining briefly the working of the Cultural Chamber. As in the other two Chambers, the Cultural Chamber should act through councils of its own members under which the various cultural guilds and associations should be grouped. These councils should consist of the representatives in the Cultural Chamber of the guilds and associations forming the respective groups; where there are no guilds the Councils should be appointed by the Chamber out of its own members. Each Council should have a president; the presidents should form the National Cultural Council, which should be the Cabinet of the Cultural Chamber, electing its

own president, who should be the leader of the national cultural order, a position of great distinction. In the following lists of Councils the existing Government Departments to be taken over or absorbed are indicated, though the mention of a department does not necessarily mean that it should be retained.

(i) *The Council for Religion*

The churches and other religious bodies will be grouped under this Council, composed as the other Councils will be of their representatives in the Cultural Chamber. Its function will not be to control religion or the churches, but to represent religious unity and common objects. The Council will, of course, have nothing to do with doctrine or belief or the internal working of any church. Through the Council the churches will be brought into association with the cultural guilds and cultural activities generally of the nation. The functional principle clearly applied in this sphere illustrates its working in other spheres. The object of the Council for Religion will be to express religious unity, so that those representing the separate religious organizations that form it will act in the Council to fulfil that object. The function of the members of the Council, therefore, will be not to represent their own churches and religions, maintaining distinctive and opposed points of view or fundamental beliefs, but to represent those aspects of their associations in which they are in unity with others, and to devote this unity to the national good. It follows that when this Council is brought into contact with the other Councils or with the guilds, for instance, with the Educational Council or the Planning Council, its members, acting functionally, will be concerned

with the element of unity, which is the object of their association in the Council, not with maintaining conflicting dogmatic or religious standpoints, and their differences from their associates. This observance of the principle of function alone enables co-operation to take place; for the unity of associations is in their objects, not in sentiment or feeling, and those objects which are not those of the association cannot be brought into its sphere of action. I refer to this matter in a connection in which clarity of purpose is most essential, but the principle should hold good throughout the future order, in civics and economics as well as in culture, for it is the means by which social integration is maintained.

In religions, differences are deep and strongly felt, which is natural because religion is man's most important concern; but it is none the less true that underlying all differences are common interests, common aims, and common humanity. The part that the Council for Religions can play in the national life will be of the greatest consequence, for religion, as such, will be brought into contact with every cultural activity and into every part of the social organism, so that its influence will permeate the national being and the blessing of God will be earned. Then will it be realized that the God of ages past is the God of future ages.

(ii) *The Council for Science*

There will be a Guild of Science, in which for the first time a structure for modern scientific study and its co-ordination with the national life should be provided, under the guidance of the Royal Society. Pure and applied science will become one, and the

research laboratories attached to universities, hospitals, government departments, and industrial establishments will be associated in the guild and brought under its supervision.

*Department of Scientific and Industrial Research ;  
Agricultural Research Council ; Observatories.*

(iii) *The Council for Art*

Guilds of artists should be formed in all the arts. This Council will represent them and relate and co-ordinate their efforts. It will not, of course, in any sense control the arts, or even organize them. Art develops in the atmosphere of freedom; but it has practical needs, and it is to the needs of artists that the guilds and the Council will give attention. All artists will be required to be members of their guild, and among other things will account to the guild for their incomes, upon which a levy will be made for guild and cultural purposes. It may be noted that, like all other workers, they will pay no income tax except the local income tax. Museums, libraries, art galleries, etc., at present under government or municipal control will come under the Council, which will have close association with the Council of Science. Local museums, etc., will, of course, be encouraged, and there will be active co-operation with the Council for Education. The general co-ordination of these institutions, the exchange of exhibits and information, and the widest possible availability of books, for instance, will be effected. The guilds will not be starved of money, and their requirements will be included in the Cultural Budget. This Council will have much to do with the

use of leisure, and its vocational element will be relatively small.

*Standing Committee on Museums and Galleries ;  
Board of Education (Museums Department) ;  
Royal Fine Art Museum ; The British Museum  
and other Museums ; Council for Art and Industry.*

(iv) *The Council for Education*

The functions of the Board of Education, and the educational functions of the local authorities and county councils, will be taken over by this Council, and the entire educational system will be in the hands of the Guild of Education, composed of all who are engaged in teaching and educational administration. Governmental and municipal educational organization will pass to the guild, there to be transformed. The university in each region will be the educational centre. Education will be available for all at every age. There will be room for educational experiments. What will education become when the teaching profession itself is the controlling element, and officialdom and state regulation are no more! To enable the child to become a mature man or woman will become the aim of national education: to make citizens of the world.

*The Board of Education.*

(v) *The Council for Health*

The entire medical, nursing, and hospital system, together with the health functions of the Ministry of Health and the local authorities, will be grouped in the Medical Guild and the Guild of Public Health. A truly national health system will be established, and every one will be treated on an equality. Private



medical practice will be entirely forbidden, the commercial element in medicine will be eliminated, and the treatment of disease for monetary reward will cease. At the same time, new methods in medical treatment will have to be provided for, and medical prejudice against heterodoxy held in check, neither of which should present difficulty when medicine becomes a national service.

The Medical Guild will consist of doctors, dentists, pharmacists, nurses, chiropodists, etc., and all concerned with medicine and hospital work in every capacity. It will provide a complete medical service for the entire country based on the hospitals. The present voluntary hospital system under which patients are treated by doctors partly on a charitable basis will end, neither will private sanatoria or private nursing homes be permitted, because only the best will be available for all. Educational health services, and the health services of local authorities, including infectious diseases hospitals, mental hospitals, etc., will come under the guild, together with the care of the blind, deaf, crippled, etc. The scope of the guild will be without limit, for its function will be to keep people well, and the influence of doctors upon the social order as a whole will be possible for the first time. To provide for the health of every individual from birth will be the physician's aim, so that a main concern of medicine will be to prevent neurosis in the early years, which will bring the guild into association with the educational guild. Pre-natal care and infant welfare will exist for all and will cover much more thorough and continuous medical attention than is at present available. To reduce maternal mortality and infant mortality to a level that has not yet been achieved in

Britain but has been reached in some other countries will be an immediate aim.

There will be a Guild of Public Health, which will work in conjunction with the local authorities and should be composed of those engaged in public health services, sanitation, etc. Veterinary surgeons will form a guild for animals, associated with the public health service.

The British Medical Association, the Colleges of Physicians and Surgeons, and other professional associations, including the Pharmaceutical Society, will have increased importance in the training and discipline of their members.

*The Ministry of Health (Health Departments);  
General Board of Control ; Home Office (Medical  
Departments).*

(vi) *The Council for Public Arts and Recreation*

The arts concerned with entertainment, music, the theatre, the music hall, and films will be grouped under this Council. The Music Guild, composed of practising musicians, will be responsible for opera, concerts, etc., and a National Opera will be established. The Theatre Guild, composed of all engaged in the theatre in every capacity, will be responsible for the organization of the theatre, and a National Theatre will be brought into being. The Music Hall Guild will be responsible for variety entertainment. The Films Guild will be the cinema films organization responsible for the production of films and their exhibition. The unions or associations of musicians, actors, variety artists, technicians, stage-hands, managers, and administrative workers will be of increased importance. The existing associations will need reorganization, for

they make no provision for producers or stage managers, or for those engaged in theatrical or variety administration, or for artists in opera or ballet.

Outside the guilds' own activities independent work will be done and should be encouraged, but the guilds should be so organized that independence will be possible within them, for the arts live by personal effort, spontaneity, and novelty. All independent workers will be required to be guild members.

All the public arts are poorly organized, and artists and the public are highly exploited. Thus these arts, which have much to contribute to the national life, are unsocial and without tolerable conditions for those engaged in them, so that artistic integrity is indifferent. Yet there is admirable material in the existing personnel, and when stability and respect are given to the position of artists there will be rapid improvement. To place the arts of entertainment in the cultural sphere is to enable them to have a right standing. The isolation of musicians, actors, and other artists from the general community and the excessive egotism thus engendered will be ended. At present, artists meet only artists and have little acquaintance with normal affairs, they look upon themselves as exceptional beings, and false relationships are cultivated among themselves and to the world at large, which is neither good for them nor for their art.

The public arts will not be on an economic basis in New Britain; for artists are public servants, as they delight to say, and this status will be established for them. Music cannot be made to 'pay,' and the theatre becomes profitable only as it lowers its standards, for the more it is made to appeal to uncultivated rather than to cultivated tastes the more it can earn,

so that debased taste inevitably becomes the measure of success. As these arts depend upon public approbation, the artist cannot safely be relieved from the necessity to please the public; as in other matters, there has to be reconciliation of contraries, between what the artist wants and what the public demands. Here comes in the function of criticism, which will play a more important part than it does now in the artist's relation to his art and public. Without constant, acute, informed, and honest criticism art declines, and the public performer, unaccustomed to any criticism but the most trivial, tends to despise it and to value only praise. This is the situation to-day, when criticism is dead and the public arts have reached the lowest level of existence, the theatre, in particular, being beneath contempt—its artists seemingly incapable of knowing good work from bad. Criticism is the corrective of the arts, and a wide extension of public criticism is to be looked for, and under the new conditions will become possible.

Film production has to be taken out of the field of high finance, and from under the control of extravagant incompetence, and put under the direction of artists and technicians, of whom there are many. British film art will then have a chance, which hitherto it has never had; freed from exploitation, and with standards other than the merely vulgar, it should be a valuable cultural factor as well as a source of entertainment.

Neither opera, theatre, music hall, nor cinema will give their performances without charge, for the public must exercise choice; but they will be relieved from subservience to the box office. This will call for skilled management as well as conscientiousness in

artists; it is the proper sphere of the *entrepreneur* in the guilds.

All workers in these guilds will be required to belong to their appropriate guild, and will account for their incomes in the same manner as other artists.

*Censor of Plays.*

(vii) *The Council for Publications*

Publishing is a cultural function, for its aim is to influence public taste, and it is the channel for the art of letters. There will be guilds of newspapers, periodical publications, and book publishing. None of these guilds will be closed corporations or exercise monopolies, for the introduction of new methods and ideas and the free expression of opinion are necessary in this sphere, which is that of the Free Press. Therefore the respective guilds will need to be so organized that individual effort is provided for, new newspapers, periodicals, and publishing enterprises being granted facilities and support. The guilds will be composed of the journalists, writers, artists, printers, and distributors engaged in the production and distribution of daily and weekly newspapers, periodicals, and books, and it will be their function to provide the freest means of expression and the fullest scope for those who write. The Guild of Writers should be associated with the Book Publishing Guild, although authors should not confuse their functions with those of the publisher, which they sometimes do at present.

A free press will become a reality. Newspapers have a most important social function, at present concerned with the phantasies and lies of the time, but in future devoted to the truth of events. Journalists will

control the newspapers without the interference of commercial and other interests, and will have a status of great responsibility, no longer servants of an industry but workers in a cultural service freed from subservience to finance, to trusts, and to interests other than the public good. The journalists' code will need to be much more clearly defined than at present, demanding the highest standards of integrity, respect for facts, and technical skill.

The freedom of the press should mean that anything can be said and printed, there should be no censorship, the tests being good faith, honesty, and devotion to truth. Of course there will be occasional falling away from ideals, but this could be dealt with in the guilds. Through the freedom of the press, criticism of anything and everybody will reach an entirely new level; there is no need to fear such freedom: the social order will require it, for the sake of its own good health. With a rise in the standard of education there will be a rise in the standard of taste in criticism.

Books have come to be more and more like newspapers, as newspapers have come to have more and more the character of books and magazines. The same characteristics of sensation and triviality that belong to the popular newspaper have taken possession of much book publishing, with the result that books have come to have an ever shorter expectation of life. This tendency must be arrested, and book publishing restored to its true function as the channel of letters, science, and knowledge, its works being devoted to cultural and creative ends. This will not lessen the scope of books as entertainment; but as the more permanent and cherished products of the press, their publication and distribution will be a cultural activity

of the highest order. A good bookshop should be a centre of knowledge in every town.

A first step towards the reorganization of the system of book distribution has, indeed, already been taken as a consequence of the Fire of London on 29th December 1940. In that fire were destroyed the premises, records, and entire stock (three million books) of Simpkin Marshall, the wholesale booksellers on whom the trade depended. Within ten days the Publishers' Association had agreed to take over the goodwill and staff of this business, and to re-form it as a non-profit-making distributing organization for the book trade of the country. This new development forced upon the publishers leads towards the collaboration in book publishing that should be seen in the future.

*H.M. Stationery Office.*

(viii) *The Council for Broadcasting*

The Broadcasting Guild will be composed of those who operate broadcasting and television, including the artists on the permanent staff. This Council will have close association with the Council of Public Arts. The relations of broadcasting to the newspapers will be put on a new basis and the sacrifice of public interests to commercial interests will not be continued, with great advantage to the efficiency of the broadcasting service. The radio should be unsurpassed in its news service, in its impartiality, promptitude, and wide interests. The international aspects of broadcasting should be fully developed.

*The British Broadcasting Corporation.*

(ix) *The Council for Sports and Recreation*

Sports of every kind, and indoor and outdoor recreation, will be grouped under this Council, which will have close contact with the educational and medical guilds. The vocational element will be small, and the associations for various sports, racing, athletics, football, cricket, golf, tennis, etc., will be non-vocational and concerned with leisure. There will be guilds of professional sportsmen, but they will be a minor, not a ruling, element in the sports associations. The provision and use of properly equipped playing fields will be a special interest of this Council, which will bring it into touch with the local authorities; a great extension of playing fields and sports grounds will be required everywhere.

*Council of Sports and Recreations ; Racecourse Betting Control Board.*

(x) *The Council for Cultural Finance*

The function of this Council will be to prepare the Budget of the Cultural Chamber, to receive financial reports from the other Councils, to supervise the finances of the cultural guilds, and to provide for the financial requirements of the cultural order through the Treasury. The cultural guilds will not be revenue producing, though some will have their own resources, notably those concerned with public entertainment and publishing; for the cultural order is a spending sphere, and the principle will be that the more spent upon culture the greater the wealth of the community. This does not mean indifference to finance. The pay of scientists, artists, doctors, teachers, writers, etc.,



will be according to status, and the extravagant incomes of popular favourites will not be reached, though generosity to cultural workers should be observed.

(xi) *The Council for Cultural Planning*

The planning of culture in relation to the national life and the co-ordination of all cultural efforts will be the function of this Council. It will see that guilds do not grow at the expense of each other. It will be closely associated with the civic and economic planning organs, and will take an important part in the work of the Central Planning Board. The bearing of cultural considerations upon all other functional activities throughout the social order will be kept in view. The influence of science and art in the economic sphere will be given special attention. To extend and develop cultural activities will be the main task of the Council, to see that no aspect of life is neglected and that no part of the country suffers from the lack of cultural opportunities.

(xii) *The Council for Cultural Pensions*

Pensions payable to vocational workers in the cultural guilds and associations will come under this Council, which will work in a similar manner to the pensions departments in the other Chambers. The age of retirement in the vocational guilds will be a matter for the guilds and their respective group councils. As there will be a place for old people in all the cultural guilds, the conditions of retirement will differ considerably from those in the economic guilds.

(xiii) *The Council for Commonwealth Cultural Relations*

The cultural guilds will have relations with similar guilds throughout the Commonwealth, and the Cultural Chamber will be associated through this Council with Commonwealth Cultural Chambers. Co-operation in medicine, education, science, and art, and in all cultural subjects will be constant and intimate with interchange of personnel and facilities for travelling on a wide scale.

*Imperial Institute.*

(xiv) *The Council for International Cultural Relations*

Through this Council the Chamber will have federal relations with continental and world cultural organs, and will further the co-operation of national guilds with those abroad. World travel will be facilitated and cultural exchanges of every kind will be made possible.

*The British Council.*

#### VIII. THE HUMANIZING RESULT

The structure of the cultural organs in New Britain has been no more than indicated, but the vital changes in the national life they will make possible will easily be seen. To maintain the social body in mental and spiritual health, and to preserve the balance of the totality of national existence, will be the aim of the Cultural Chamber, in which every cultural association will share. No nation has yet possessed such a structural element, and with the equipment of science and knowledge that is available a transformation of the national being can be expected within measurable time.

The functional order is in some senses a specialized society, in which men and women are associated in

occupational activities, and the expert will be encouraged; through the work of the Cultural Chamber the drawbacks of specialization will be overcome. In culture, man renews his humanity, ceases to be stamped with the label of trade or profession, shares common interests, and remembers the significance of life.

The sphere of meanings is the cultural sphere, in which men find their powers heightened through the light of the past, present, and future of mankind. They are given a conception of tasks beyond their personal interests and beyond their own lives, a goal beyond the individual, beyond even the sum total of social interests, a goal that rises beyond the world, and surpasses the farthest limitations of human existence.

## Chapter VI

### THE SENATE

*I confess that I have the passion to wish heartily that the honour of proposing and effecting so great and good a design might be owing to England. . . .*

WILLIAM PENN

THE functional aspects of the New Order in New Britain have been considered, the state, society, and the nation; but Britain, as every other nation, though threefold, is also one, as a man is one in his 'ego' or 'self.' A people, too, has its centre, which is not a part, or dominated by a part, or the sum of all the parts together, which is neither political, economic, nor cultural, but contains its quintessence as a people. In the social order this distinct and articulated centre should be the Senate.

The British constitution includes the House of Lords, which is the most ancient of parliamentary institutions; but this body is not a Senate in the sense used here. What is meant by the Senate is the body whose head is the Crown.

#### I. THE CROWN

The Crown in Britain is a constitutional monarchy held by the House of Windsor under the Settlement Act, 1701. The king's powers are nominal, for he acts only on the advice of ministers, nor can he exercise his own prerogative. Parliament is, indeed, the prince in Britain. The monarchy is, however, held in

high esteem; but the extent to which the king is in the hands of the government was demonstrated by the abdication in 1936 of King Edward VIII. His brother, King George VI, is regarded with affection, for both he and Queen Elizabeth are devoted to their duties, which they carry out to public admiration.

'The monarchy,' said cynical Disraeli long ago, 'is a pageant.' In the New Order every office is functional, and although the monarchy might simply be pageantry, a fuller content should be looked for in the function held by the king. That function is to wear the crown, which means to be the royal person, to hold the chief place of honour because standing for and representing the whole. Acts of State are done in the king's name; but the monarchy should not be a rubber stamp, nor should the king speak with a voice not his own. Therefore, the king should have counsellors, in civic matters the government, in economic and cultural matters those who lead in those spheres; but, more than counsellors, he must have around him those who share honour with him, who partake of his own quality of reality. Yet at present, and for a long time past, the king in Britain has had no such compeers, with the result that the significance of monarchy has declined, for the king stands alone. But to be isolated is not possible for one who occupies the throne without despotism being developed or impotence arising.

In New Britain the hereditary nature of the monarchy is maintained as a constitutional convenience by legislative consent, not by divine right. The right to the throne should be subject to scrutiny, not regarded as an absolute right, therefore, but held on conditions, so that a change in the succession should not involve revolutionary action. Through the Senate

as conceived here Britain would be both monarchy and republic, and the question of a republic would never arise.

## II. THE HOUSE OF LORDS

Before considering the Senate in closer detail, let us glance at the existing House of Lords, which consists of Lords Spiritual, who are the Archbishops and the twenty-four English Bishops of the Church of England, and the Lords Temporal, who are the Princes of the Royal blood, and the dukes, earls, viscounts, and barons who are peers of the United Kingdom, together with twenty-eight non-hereditary Irish peers, elected by the Irish peers for life, and sixteen Scottish peers, elected by the Scottish peers for the duration of Parliament. The total number of members varies, but is approximately 790. New peers are created by the king, who must act under the advice of the government. The House sits for short periods, rarely more than three hours at a time, and the attendance seldom reaches 100. Three members of the Cabinet must be lords. The House of Lords is a second Chamber, but it has no power over money bills, and other public bills in the event of being vetoed become law if passed by the House of Commons in three successive sessions, provided two years elapse in the meantime.

I do not need to argue that the House of Lords has no place that could be justified in the New Order. Proposals for its reform have been made over a long period; many of these proposals have emanated from the Conservative Party, while the Liberal and Labour Parties are committed to drastic changes in its constitution and personnel. There is general agreement that the House of Lords is an anachronism, without

there being enthusiasm for any particular method of reform. The fact that the House persists is not due merely to political lethargy but is explained by British political instinct recognizing value in it, partly because appreciation of the principle of aristocracy is characteristic of the people, but also because there is national distrust of elected assemblies. The Lords are tolerated, in place of anything better, though respect for them has sharply declined in recent years, and there is diminishing belief that they play any useful part.

### III. THE SENATE

Ideally the Lords represent worth, and a body composed of men and women chosen because of nobility of character and maturity of mind is a necessary organ in the Commonwealth. The Senate, therefore, as I regard it, has two aspects, that of the inner Senate of the aristocracy of merit, and that of the Senate as a constituent element in the parliamentary system. The Senate as a parliamentary institution might consist of 150 members appointed for life by the king from amongst those who by character and achievement have proved their worth and have reached the age of not less than fifty-six years; fifty appointed by each of the three Chambers from among their own members for the life of the Chamber; the Lord Chancellor, and the members of the government. Thus the Senate would be permanent as to rather less than half its membership, the other half changing from time to time. An element of youth would be introduced through the Economic Chamber.

The Senate represents quality, and witnesses to the existence of genius and supreme merit. Its members

will be those men and women who have distinguished themselves in religion, science, art, letters, education, medicine, economics, and civic affairs. The members appointed for life will be appointed, not elected, because ability in electioneering is not always compatible with worth. To select such men will not be easy, for greatness is not to be judged by obvious success, which may have been due to lucky accident and often only means that a man has been a successful organizer of himself. Within the fantasy of supposed great men is often only a small core of truth, for the man with a great core of truth is rarely successful in the world. Worldliness can always look after itself; but the king in selecting the Senate can have regard for other qualities.

The members of the Senate would be salaried, and would give the first call on their time to its service. It will meet regularly, and as Cabinet ministers will be senators by virtue of their office, government policy will come before the Senate always fully and at first hand. In the Senate, too, the Chambers will be subject to scrutiny, so that the free discussion of all national issues will be possible.

The king will be head of the Senate, and may preside at its assemblies, but the Lord Chancellor will usually act as Speaker of the House.

As the ego or self-consciousness does not by itself alone contain in an actual or concrete sense the psychic whole, so the Senate is not the community or the substitute for any of the social organs; neither has it power. The Senate is to be regarded as the point at which the self-consciousness of the community is most intense. Therefore the Senate has to be listened to as the exponent of the normative idea of the nation. For



this reason the Senate should act as a Second Chamber on legislative matters. Bills should come to it, as to the House of Lords, for discussion and revision, and the Senate's proposals should be taken into consideration by the other House; but it should have no veto, and the House of Commons should have the final word; neither should the Senate have the power to initiate legislation. Where legislation affecting them is objected to by the Economic or Cultural Chambers, the veto of the Senate should apply until agreement is arrived at, or a referendum of the electorate taken.

In conflicts between the Chambers, the Senate should be the mediating element. There is no way of avoiding conflict, nor is it desirable that there should be. Conflict is necessary to life. Unruffled harmony exists only when there is indifference, health is a balance of tensions. Unity does not preclude conflict among human associations; but where the means of resolving it are provided conflict becomes constructive. As there is in all men an element of the unknown, an unconscious element, which may cause them to behave differently from their normal character, so in associations there will be moments when action is startling and unaccountable. This will be more true the greater the vitality of the social order; for its creativity will be displayed. The Senate will be a means through which the highest creative elements will be released.

Among the specific functions of the Senate will be the judicial functions of the House of Lords. It will provide the highest Court of Appeal in the nation. The Lord Chancellor, who will not be a political appointment, but will be appointed by the king, will be President of the Court.

The Senate should be responsible for maintaining

the Bureau of Standards and Statistics, which will have no executive duties, but will be guardian of the standards of weights and measures, responsible also for the calculation of the amount of money justified by production, responsible for the actual supply of money to the Treasury, and for the destruction of money returned from circulation. The Senate will have charge of the Royal Mint.

#### IV. THE PRIVY COUNCIL

The Senate as a differentiated organ should depend upon an undifferentiated inner Senate, which should create the place of royalty from which the king derives authority. This inner body should be the ancient Privy Council restored and sublimated to its earlier functions, a body much older than Parliament, belonging to the original structure of the British people. The Privy Council from long before the Conquest was a small body composed of the great officers of state with the king, which controlled both king and country. It has now become a formal body through which the royal pleasure, or more precisely the government's decision, is notified to the people by proclamation. The present proposal is that the Privy Council should be brought back to its ancient place, though no longer as part of the formal machinery of government, but instead to be recognized as the headship of the nation, which guards the Crown and bestows meaning upon it.

At present the Privy Council is appointed by the king on the advice of his ministers. All members of the Cabinet become privy councillors. The total number of the Council is unlimited; it consists of rather more than three hundred persons, who hold or have

held high political, judicial, or ecclesiastical office, with a very few eminent persons in science and letters. Office lasts for the life of the sovereign and six months afterwards, but the practice is for the new sovereign to confirm existing appointments. Only a few persons are called to meetings of the Council, and the quorum is three.

The Privy Council in New Britain should consist of men and women of merit selected by their peers. Appointments should be made by the king on the advice of the Council, not of the government. The appointments should cease to be almost exclusively political, and should include, equally with men and women of outstanding political worth, those who are distinguished in economics, science, art, medicine, and education throughout the Commonwealth. From the Privy Council, senators should be selected, the king's nomination being on the advice of the Council. Cabinet rank in the House of Commons should not automatically bring membership. The Privy Council should be composed of men and women whom it is honour in the state to honour, for they bestow honour as well as receive it. No doubt there will be some mistakes in these appointments, and through stupidity or accident some men of great merit may still go unrecognized, but in New Britain it should cease to be the rule to ignore genius.

The functions of the Privy Council should include, as I have said, the provision of the Senate as a working element in the Parliamentary structure, but its main function should be to make the place for the king. The *Curia Regis* was an old name for the Privy Council, and at the Council board the king should be *primus inter pares*, one among equals yet the first of all. There the sceptre should be placed in his hands, and

he should be enabled by the support given to him to hold it in an actual, not a symbolic, way. The Privy Council should control the king, for the members should be able to speak freely to him and he to them without disguise, and the king's own opinions should be heard. Politically in Britain we have always recognized that the occupant of the throne must be controlled; but control by ephemeral ministers is altogether different from the control that would be exercised by the noblest men and women in the land. Had a body such as I have forecast existed when George V died and the succession fell to the popular Prince Edward, the fate of that unfortunate man would have been different from what it was. He would have had those around him whom it would have been his duty and habit to consult, and whose duty and habit would have been to advise him.

Through his association with the Privy Council, the king would not be dependent only upon the government of the day and his own servants, but would have the advice and support of the wisest, the most tested, the most experienced in every sphere of national life. Thus would reality be added to kingship, the king enabled to play his part with authority, and the state would have unchallengeable dignity. The prince in Britain would be the king in Council, not an individual but a plurality. No longer would the false sovereignty of Parliament be the strength of oligarchy and the weakness of both king and people.

The Privy Council as a whole should meet on great occasions only, but a small representative committee or *Curia* should always be in informal session, its proceedings open at all times to members of the Council. All nominations and appointments made by the king

and all other state actions taken by him should be on the advice of the Council.

The existing judicial functions of the Privy Council should be taken over by the Commonwealth Court, reference to which is made in the following chapter.

#### V. THE SENATE OF WOMAN

Although women will play their part with men in the various functional institutions of the social organism, there should be a place where women meet as women, where women's distinctive point of view should be expressed. Women have problems of their own, they have their own outlook upon society, and their own specialized and essential functions. I do not propose that a feminine interest should be cultivated as a separate social factor, but there would be much social gain were women associated with women to exert influence and to be available for consultation. There should therefore be a Senate of Woman, composed of women privy councillors and senators, the women members of the three Chambers, together with representatives from all women's organizations, civic, economic, and cultural. Women have something to say as workers and artists, for instance, and there is a place for that; here in their own Senate women should speak as women. Woman as such makes the home, the family is hers, and the future of the race is in her hands.

The great subjects that will be ever before the Senate of Woman will be home, motherhood, and the child, and the fundamental interests of the race. Education will be given attention, for the education of girls is still too much an imitation of male education and too much in the hands of the unmarried. No subject will

be excluded. Sex would be guarded as the creative energy of mankind, not merely as scientific or useful, and every question on which sex has bearing would be considered from women's point of view. Marriage will not debar from any position in New Britain, and the foolishness of women being forced on marriage to give up teaching will not be tolerated. There will be equal pay for women, and the National Dividend, paid to women for themselves and their children, will bring them freedom. The Senate of Woman will be a corrective influence, concerned not so much with action as with character. How often are the words heard: 'Had women been consulted this or that would not have happened.' In their own Senate, women can be consulted on every matter and they themselves will see that nothing in which they should play their part is overlooked.

The Senate of Woman would not be a governmental organ; it would be consultative and advisory. It would represent Nature, the element of goodness, the essential element in human society, the source of the power that is wielded in state, society, and nation.

## VI. THE SENATE OF YOUTH

All totalitarian systems profess to give youth recognition and all subject it to training for its future place in the state. In the New Order youth will have its own place, so that it may recognize itself and know its future. With that object youth should be given the dignity of a Senate, where young men and women may meet and make their contribution to the social order. For though it is not the function of youth to rule, yet each new generation has a voice of its own and

something new to contribute, which it possesses only while it remains young.

The Senate of Youth, therefore, is proposed to consist of members of schools and universities between the ages of 15 and 21 to consider among themselves every question that concerns them, whatever it may be. The Senate of Youth should not be under adult direction but wholly conducted by its members. It is not intended to be used for propaganda, or to serve any cause save that of youth alone and what youth chooses and desires. Through this Senate young people will have a means of expression, an organ through which they can formulate their wishes, and through which they can exert influence.

The Senate of Youth will have much to say about freedom, for in youth the sense of freedom is most keen. Youth has plenty to say, and with a rightful place in which to say it, young men and women will not feel ignored.

What youth has to say should, indeed, be listened to, for it has its own wisdom and a deep sense of prophecy. The statesman in particular must have his ears open for the words of youth, which are always twenty-five years in advance of the present moment.

#### VII. TITLES

Members of the Senate should be known as senators, and members of the Privy Council described as right honourable. There should be no further creation of titles. Holders of existing titles should be able to continue the use of them if they wish to do so, and do not voluntarily relinquish them; but titles should die out on the decease of the present holders. There

should be a College of National Honour for the recognition of work of exceptional merit for the common good, and awards of various kinds should be granted, but class distinctions in awards should be abandoned.

#### VIII. SENATORIAL OFFICES

The following are the offices for which the Senate should be responsible. The existing government departments that should be absorbed are indicated.

(i) *The Bureau of Standards and Statistics*

The Bureau should consist of scientific men appointed by the king. It will be available for consultation by the Chambers, and in particular by the planning departments, its function being the definition and custody of standards, including monetary standards; it should absorb the Standards Department. It will be an entirely independent Bureau. All the statistics of all the Chambers should be open for its use.

*Board of Trade (Standards Department); The Government Chemist.*

(ii) *The Royal Mint*

The making of money in the form of coins or paper as the legal token of exchange possessing a constant value, maintained by the state, will be the function of an institution that may continue to be known as the Royal Mint, because it will work under the authority of the king. The total amount of money to be coined or printed will be subject to the Bureau of Standards and Statistics; its issue being made by the Treasury. The Chancellor of the Exchequer will cease to act as Master of the Mint.

*The Royal Mint.*



(iii) *The Lord High Chancellor*

The Lord Chancellor will have charge of the Great Seal, and his duties will continue as at present, less those which are transferred to the Ministry of Justice, and, as already stated, he will cease to be a member of the government. He will be President of the Supreme Tribunal. His present duty of ecclesiastical patronage should pass to the Cultural Chamber.

*The Lord Chancellor's Office ; Public Trustee Office.*

(iv) *The Court of the Senate*

This Court will replace the House of Lords in its judicial capacity. It will consist of the Lord Chancellor and seven judges retired from the Supreme Court, including any judges who may be senators.

(v) *The College of National Honour*

A body appointed by the Senate to receive recommendations from the Chambers for the recognition of work done and the award of honours for merit, its duty being to make recommendations to the king.

(vi) *The Privy Council*

The Senate will provide the office and staff for the Privy Council.

(vii) *The Senate of Woman*

The Senate will provide the office and staff for the Senate of Woman.

(viii) *The Senate of Youth*

The Senate will provide the office and staff for the Senate of Youth.

## IX. THE NEW ORDER IN BRITAIN

The above brief outline of the Senate and its functions completes the sketch of the British social order transformed into a New Order. In these four chapters a large task has been entered upon, but no more than a preliminary sketch has been attempted, in which, however, no problem has been deliberately avoided and as many questions as possible have had the answers to them indicated, though details have not been filled in. What has been aimed at is a picture that may be taken into the mind's eye.

The constitutional changes that have been outlined would make Great Britain a union of English, Scottish, Welsh, and Irish political, economic, and cultural organs with a Senate. Parliament could give effect to these changes in a series of acts constituting the Economic and Cultural Chambers, and replacing the House of Lords by the Senate. Legislation would have to provide for the transitional appointment of the Economic and Cultural Chambers, the House of Commons divesting itself of duties gradually as the new Chambers were able to function.

There will be no need for the Chambers to be centralized in London. On the New Order principle of decentralization, and in accordance with the conception of the national structure as a federation of organs, the Chambers should be placed in different parts of the Kingdom. The Senate should be in the metropolis, taking over the House of Lords. The Political Chamber should continue in the historic House of Commons. The Economic Chamber could have its House in Edinburgh, and the Cultural Chamber its House in Dublin.

Thus the British Isles would have three capitals instead of one. To alter the direction of men's minds and to make new channels into which the national life could flow would be achievements of great advantage to national existence. Such changes would have dynamic effect, and give to the creation of New Britain and the institution of the New Order all the profounder significance. To break away from past habit is essential for the sake of the future that has to be created.

If it is thought that what is proposed here for our country is too far-reaching, too unsettling, or too novel, in a word, too revolutionary, the answer is that to-day it is impossible to be too revolutionary. Only change that goes deep into the soul of the nation can be contemplated. To maintain tradition, to have respect for history, to give enlarged scope to the genius of the race are aims that have been kept in mind. The functional order of the threefold social organism is in agreement with the continuity of English tradition, and the logic of our place in world history. A leap forward has now to be made, not a slow development, but a break into a new level of existence, if we are not to decline as a people. We have to present to the world a principle of social order that will keep the political, economic, and cultural elements of the national organism in harmonious relationship in the family, community, region, and the state, and enable international relationships to be maintained in friendship and collaboration. So we shall save ourselves and by the same act save mankind.

In the next section an endeavour will be made to indicate how the structure here outlined for Britain can be applied to Imperial reconstruction, to European

federation, and to a New World Order. Throughout there will be maintained the same leading ideas, that healthy national life depends upon moral discipline, strength of character, and respect for order among the people, that the New Order in its functional structure is the means of integrating personal, family, national, and world order, and that values and aims beyond those of one's individual life manifest the glory of human existence.



PART III  
APPLICATIONS

*Nothing could be more useful to men than Man.*

SPINOZA



## Chapter VII

# THE NEW ORDER IN THE BRITISH COMMONWEALTH

*Let the world know that the British Commonwealth understands the world community as an organic body of which nations and human beings are the living limbs ; that the historical fulfilment of this body is to become conscious of itself ; and that its ultimate task is the intelligent ordering of life on this planet.*

SALVADOR DE MADARIAGA

### I. THE COMMONWEALTH CONCEPTION

THE British Empire, or, as it is also called, the British Commonwealth of Nations, the name I propose to use, does not exist in legal or constitutional form. It has unity under the British Crown, and exists from necessity. Loyalty to an ideal of political liberty, a family feeling, and administrative skill keep it together. 'It may be said to comprise,' in the vague words of a recent writer, the United Kingdom of Great Britain and Northern Ireland (47,500,000), the Dominions of Canada (11,200,000), Australia (6,800,000), New Zealand (1,600,000), and South Africa (9,600,000), the Indian Empire (375,000,000), Burma (15,000,000), the Republic of Eire (3,000,000), and the Crown Colonies, Protectorates, Dependencies, and Mandated Territories (65,500,000). The colonies and India are held by right of possession, the dominions remain of their own will, and the position of Eire is uncertain. I have discussed Ireland already so that I will not refer to it here.

The Commonwealth was not created by design. It grew out of the energy, enterprise, national pride,



trading skill, political aptitude, spirit of domination, and military power of the British people, and also, as the historian Seeley said, by reason of a sort of 'absent-mindedness.' In a real sense, too, it was a European creation, owing much to French, Portuguese, and Dutch, all of whom have contributed to the European heritage of the Commonwealth. Its history contains disagreeable episodes, for not angels but men were its makers: adventurers, pirates, robbers, idealists, madmen, missionaries, and plain ordinary men who wanted opportunities they could not get at home. Thus it came into being not as a product of grandiose and all-conquering imperialism, but in a haphazard way without aim or guiding policy either good or bad. For this reason, no doubt, the colonies until recently were looked upon as inferior to the home country, and among a certain section of the nation an attitude of indifference to the Empire was actually cultivated, survival of the Whig doctrine that the colonies should go their own way, and evidence of the independent spirit of the British people. Rudyard Kipling sang the glories of the Empire, but he was looked at askance for doing so. Lord Curzon, the perfect example of British Imperialist, was also the most ridiculed of statesmen and considered not fully representative of British opinion. Pride of Empire is not much in evidence in Britain even now, except among the small class of colonial administrators and others with first-hand knowledge. Yet there can be no doubt, despite what seems to be evidence to the contrary, that imperial sentiment is deeply rooted in the British heart—in the hearts of English, Scottish, Welsh, and Irish, for all are mother countries.

It cannot be for nothing that British people have

established themselves in all parts of the world, and that everywhere they find themselves at home. They have brought to different parts of the earth religion, education, science, and the spirit of political tolerance. Missionary fervour has been strong in the land for generations, and there are few children who have not given regular penny contributions to foreign missions. Some of the best English stock has gone to the colonies for over two hundred years. The conquest of India, one of the great events of history, has been a leading element in the stability of world affairs; and though India presents a serious problem in Commonwealth politics, it is an essential factor in the Westernizing process of civilization.

To represent Christian civilization is surely the function of the Commonwealth. It exists as a bridge between East and West, a key to the civilization of the world. For the civilization of Europe is a world civilization or nothing. At its best it has come to mean respect for the ancient religions and cultures of the East, even for the negro culture of Africa, while establishing the characteristic principles of Christian society, the value of personality, and the creation of institutions to realize its fullness. This necessarily involves a conception of a world society, and the Commonwealth has given Britain more than any other country an unmistakable world view.

## II. THE COMMONWEALTH ORGANIZATION

The British Commonwealth, however, is hardly yet aware of its function. In times of crisis it acts with a certain degree of unity; but even in this War, the issues of which are so clear, there are those in Canada who

think the dominion should act with the United States rather than with Britain, in South Africa those who consider neutrality a possible policy, and Eire is a country that finds itself able to maintain strict neutrality even to the extent of interning British airmen! The explanation of this strange situation is that the Commonwealth has no structure, and remains in the protoplasmic or pleromic stage of political existence.

The history of the Commonwealth accounts for the absence of political structure. The first bare recognition of Empire dates only from 1663, when, three years after the Restoration, an Act for the Encouragement of Trade was passed, and while in the course of years colonial possessions multiplied, and while the shaking event of the separation of the American colonies was experienced, it was not until 1887 that the glimmerings of self-consciousness are to be distinguished, when the first Colonial Conference was held, more or less accidentally because of the presence of the Premiers of the self-governing colonies at the celebration of the Jubilee of Queen Victoria! Ten years later a further Colonial Conference was called, in 1897, followed by Conferences in 1902 and 1907; and in 1911 the first Imperial Conference took place. The slow emergence of the sense of unity in the Commonwealth is not, however, surprising, for independence is the first British political principle, and the colonies were founded by those who wanted to get away from dependence upon England and to create their own conditions of freedom. The first colonies severed themselves from the British Crown in the name of sacred political principles that their founders had revered in England; yet when the thirteen American colonies threw off the English yoke they

created a split, which is rightly regarded as one of the major disasters of Western Civilization. For generations the supreme task of statesmanship has been to bring Britain and the United States together, and it has required the dire facts of the present War to make them realize their bonds of common interests.

The Empire must now transform itself into a real Commonwealth with institutions through which it can operate. Sentiment, however strong, and tradition, however ancient and respected, are not sufficient unless embodied in forms, neither is a common language nor a common culture. Elements of an imperial conception are present, and vague forms of possible institutions hover over the contacts between statesmen in imperial affairs; what is lacking is the definite structure which the organic working of the Commonwealth requires.

The difficulties in the way of imperial institutions hitherto have been the conflict of interests between Britain and the dominions, which has been of the same nature as the conflict of interests in Britain herself. The unity of Britain is innate, a quality of the national soul, as the War has proved; but the social order has contained the root of deep and irreconcilable conflict in the domination of one class over the nation, which is to be regarded as responsible for the irresolution, absence of purpose, and the sense of inability to deal with the problems of national existence characteristic of our generation. In the Commonwealth the fear of the domination of Britain and the conviction that imperial institutions would be used to further British interests at the expense of the dominions have been of the same nature and are the great obstacle to unity. Prior to the Imperial Conference at Ottawa in 1932

Mr Stanley Baldwin made the position clear when he said:

Those dominions will be asked at Ottawa to say if they have not gone a little too fast in industrial development, both for their own good and for that of the Empire as a whole.

This meant that the interests of established manufacturers at home were not identical with the interests of new manufacturers in the dominions, and that the influence of Britain would be used to protect the interests of her own manufacturers. Of course the issue was not quite so simple as that, for there were the interests of British finance in dominion agriculture, and the need to maintain agricultural exports from the dominions to pay interest on investments; therefore British agriculture must suffer at the same time as dominion manufacture was to be checked, not for the good of Britain, though the words were spoken by its Prime Minister, but for the good of interests in Britain: and the good of the dominions was not considered at all.

When a proposal was made in the House of Commons in May 1934 for the flotation of an Empire loan, Mr Neville Chamberlain, then Chancellor of the Exchequer, opposing it, said that he did not think it was necessary to have any other suggestion in mind for the development of the Empire than that a dominion government might ask from time to time for a concession of interest on a sterling loan! No wonder, then, that imperial institutions could not be established when they could become effective means 'for keeping them in a firmer dependence upon it [i.e. the kingdom of England] and in rendering them yet more beneficial and advantageous unto it,' to quote the words of the

Act of 1663, the spirit of which still continued, relating to His Majesty's Plantations across the seas. When, so long ago as 1902, the British Government's representative proposed the creation of a permanent Imperial Council, the dominions would have none of it, and at each Imperial Conference since they have refused agreement to any kind of imperial institution, even an Imperial Secretariat. They refused even to support the Empire Marketing Board, with its Chair of Imperial Economic Relations in London University.

Yet in spite of the fact that no working basis had been found for imperial co-operation, the imperial conception remained implicit in the existence of the Commonwealth. Remarkable expression was given to it in the Statute of Westminster, 1931, which recognized independent dominions, giving effect to the report of the Imperial Relations Committee of the Imperial Conference in 1926, which described the dominions and the United Kingdom as:

Autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any respect of their domestic or external affairs, though united by common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations.

The Statute of Westminster put into legal form the already established independence of the dominions. It was a grievous fault of statesmanship that the Commonwealth should be defined in it on a negative basis, with no instrument for its unity. Yet as General Smuts said in the South African Parliament on 24th May 1934:

We see the birth of a new system which is meant to continue for centuries. Freedom of conscience and self-expression, these are the keynotes of our Empire, and in

standing for them one stands for what is most precious in the world to-day.

Under the Statute of Westminster independence is carried to its farthest limits; the king became the king of each of the dominions separately; for he acts in each dominion only on the advice of the government of that dominion; the dominions have the right of decision on war or peace; and the respective dominions can set up their own separate nationhood, which Canada, South Africa, and Eire have done, while still enjoying the common status of British subjecthood.

The problem remains, how can this system of sovereign states, continuing together in a Commonwealth, act as one? For to act together in working out a common purpose is assuredly an essential condition of the future existence of the Commonwealth. Obviously, it can be achieved only by Britain surrendering the last vestiges of the will to dominate, and demonstrating complete readiness to establish in the economic sphere the conditions of freedom that exist politically.

Let us bear in mind that the British Commonwealth consists of one-quarter of the entire surface of the earth, and that its population is more than one-quarter of the total human population. It includes within it the largest undeveloped portion of the earth's surface, and its economic potentialities are illimitable. The agricultural and mineral resources of the Commonwealth are such that the dominions alone could support a white population as large as exists in all Europe (475,000,000), though their actual white population is under 25,000,000. This fact alone indicates the immense responsibility that lies upon the nations of the Commonwealth. It is obvious that the Empire must

be populated. Yet the policy of the dominions has been to keep out immigrants; recently they have not welcomed population even from the mother country, for they have not been able fully to employ the meagre numbers they have.

A glance should be made at such Commonwealth organization as exists. The dominions have High Commissioners in London who are in a sort of ambassadorial position; and they have trade commissions. In the dominions there is a Governor-General representing the king and a High Commissioner representing the home government. The Dominions Office, under a Secretary of State, is responsible for looking after dominion relations, and keeping the dominions informed on foreign and other affairs. The Department of Overseas Trade under the joint control of the Foreign Office and the Board of Trade looks after dominion economic matters. There is consultation between the British Prime Minister and the dominions' Prime Ministers. The Imperial Conference meets from time to time; but the Conference has no statutory recognition, no executive power, no secretariat, and no provision for regular meetings. There are various standing advisory committees, the Committee of Imperial Defence, the Imperial Economic Committee, the Imperial Shipping Committee, the Imperial Agricultural Bureau, and the Imperial War Graves Commission, the last being the only committee with executive powers. There is no joint organ or instrument of any sort, apart from these committees, and not even during the War has the defence of the Commonwealth been made one.

The Colonial Office, under a Secretary of State, has jurisdiction over the Crown Colonies, dependencies,



protectorates, spheres of influence, and mandated territories. The colonies have various forms of administration, a legislature nominated by the Crown, a legislature partly elected, or a legislature wholly elected, but the Governor-General or Governor representing the British Government has the last word, if only a power of veto. In all the colonies the vast majority of the population is native, and the development of native home rule is encouraged except where it comes into conflict with the interests of established white residents, when reconciliation of interests is a serious problem.

The India Office, with a Secretary of State, is concerned with the government of India; further reference is made to India later. The Burma Office, which comes under the Secretary of State for India, is concerned with Burma, which has a constitution somewhat similar to that created for India, in the Government of Burma Act, 1935, which provides for the initial stages of self-government. The Burman legislature, which has limited powers, consisting of a Senate, half appointed by the Governor and half by the House of Representatives. The latter consists of 132 members elected on a franchise which includes women.

The free co-operation of the dominions with Britain is undoubtedly a great achievement, and the Colonial Empire is a great enterprise, but India is not alone in presenting problems acutely awaiting solution. Political inventiveness must enable the Commonwealth to acquire instruments through which its achievements and enterprise may be furthered, and by means of which its cohesion may be effected and its problems solved. The loose organization of one part of the Common-

wealth (the dominions) and the subjection of other parts (India and the colonies) must give way to a coherent system in which the Commonwealth can feel its unity and in which freedom is maintained throughout.

### III. A NEW COMMONWEALTH STRUCTURE

The New Order provides the model of a new Commonwealth organization, in which loyalty to the mother country would be transcended by loyalty to the Commonwealth itself. The application of the functional principle and the threefold social order may be expected to create throughout the Commonwealth an entirely new spirit as well as new organs of development. Instead of a dominant and overriding central power, there would exist the co-operation of organs for recognized ends. This involves the transformation of the constitution of each of the dominions on a functional basis on the same principle as that proposed for Britain. Each dominion would have to set up Political, Economic, and Cultural Chambers with a Senate. Thus the self-governing nations of the Commonwealth would have constitutions in harmony with each other, an essential preliminary to co-operation. On this basis the different functional Chambers would create their own federal imperial organs, resulting in not a single Commonwealth Federation, but three distinct federations, a Commonwealth Political Federation, a Commonwealth Economic Federation, and a Commonwealth Cultural Federation. In this manner, the fear of domination would for ever be removed.

Through the Political Federation of the Commonwealth, there would be Commonwealth citizenship,

laws that were brought into harmony, and action in matters of common civic interest. Through the Economic Federation of the Commonwealth, there would be unification of economic policy, national economics being related to each other, but an end made of the idea of Britain as the workshop of the Empire and of the dominions as the food supply and raw material sources for the mother country. We should hear no more the words of the industrial economist 'that Great Britain is the established exporter of manufactured products, and the dominions and colonies exporters of food and raw material.' The dominions would develop their industries and Great Britain her agriculture. Complementary exchange on the old 'natural' lines would not be continued. Exchange in imperial economics would be founded on the requirements of national development, balanced with agreed Commonwealth aims. Once the principle of Commonwealth planning was accepted providing for far-reaching surveys intended to make full use of the natural resources of the dominions and the human resources of Britain, impetus would be given to development on a scale hitherto undreamt of. When transport, drainage, irrigation, mining, and manufacture are undertaken in the dominions with the resources of science and man-power of the Commonwealth we shall see in the Empire a parallel expansion to that of the United States of America in the nineteenth century, but more orderly, less wasteful, and directed to predetermined ends. The difference indeed would be great, for American expansion was the unplanned exploitation of natural resources, while dominion development must now be subject to the planned use of natural resources and the planned organization of man-power. Through the Cultural

Federation of the Commonwealth there would be co-operation in science and art, in education and medicine, and national ideals would be immeasurably enriched.

#### IV. FINANCE

In finance the British Economic Chamber, in conjunction with the Treasury, would provide what the dominions require. The intervention of private interests would be unnecessary; indeed, the system of debt creation would be ended, and financial exploitation of the possibilities of development would be replaced by planned economy, which would include ample scope for individual initiative. Speculation will be kept out, and the money market will have nothing to say, because it will not be in existence. The existing debt structure of dominions finance would be dealt with.

#### V. COMMONWEALTH PLANNING

Each of the three functional organs of the Commonwealth would have its planning body—political, economic, and cultural—but in addition there should be a Commonwealth Planning Council for the higher direction of Commonwealth policy, formed by the various national planning councils. Its function should be the co-ordination of imperial efforts, and the projection of plans of imperial development in every sphere. The Council should have before it the actual conditions throughout the Commonwealth, it would trace their tendencies, consider the plans of the different nations, take account of population requirements, and outline future policy. It would consider economic resources, man-power, vital statistics, production

demands, and monetary requirements, and at the same time bring economic, political, and cultural plans in relation with each other. It would, in short, be a grand General Staff of the Commonwealth for the good of the entire population. The total resources of the Commonwealth are almost limitless; India alone, in man-power and natural wealth, being one of the most extensive single units in the world.

The Commonwealth Planning Council should in particular formulate plans of immigration, which would go far beyond the bounds of the Commonwealth itself, thus calling for co-operation with other nations. There have never at any time been planned schemes of immigration except during the early years of the last century for criminals, and for clearing out the unwanted populations of Ireland and Scotland. Assisted individual emigration and grants of land were features of nineteenth-century colonial policy; but systematic colonization, such as the genius Wakefield worked out for Australia and New Zealand in the thirties of last century, have always been coldly regarded by government. The half-hearted overseas-settlement schemes after the First World War, which offered free passages for ex-service men and their families, were dismal failures, and deserved to be: the lack of a thoroughly worked-out immigration policy meant that forty per cent of emigrants returned home. .

The object of the old emigration was to settle men upon the land, the easiest sort of policy to operate, freeing the home country from further responsibility, and imposing responsibilities lightly felt on the dominions. What is required in its place is organized settlement in planned communities. Such schemes could be initiated and carried out without fear of

failure under the auspices of the Commonwealth Planning Council. They would offer scope for the co-operative life-work of all sorts of people in every profession and occupation, and would appeal to the pioneering and adventurous spirit. Thus colonization would be undertaken by those who desired its variety of experience and excitements, and were prepared for its hardships, rather than by those who were driven to it by dire necessity.

## VI. COLONIAL ADMINISTRATION

The colonial administration of the Commonwealth, at present centralized under the Colonial Office, will need entire revision. Apart from those who have acquired an interest in the Colonial Service, and the interests of traders and industrialists in trade and contracts, public interest in the colonies is small and Parliamentary interest negligible. Although there is no British trading monopoly in the colonies, except that recently there has been a preferential system for Britain, and such trading advantages as naturally exist for British commerce, there is need for a colonial trading policy. Traders and individuals of all nations have been free to settle and to do business, but this open door must cease to be a means of exploitation. Much has been done to encourage native enterprise, just as native participation in government has been extended; but much more remains to be done in these directions. The administration of the Colonial Empire is bureaucratic, with the faults and shortcomings of even a skilled and high-minded bureaucracy subject to not very constant or well-informed criticism.

There can be no denial that the colonies are a British

responsibility of the first order, and that there can be no surrender of that responsibility. There is a native population of about 65,000,000 for which Britain has trusteeship. In the New Order there is a place for native populations free from domination by white races, the people being given native education, forced labour being abolished, native culture being developed, and their training increased for self-government.

Colonial administration remodelled on the functional system, and the internal structure of the colonies reconstructed on the threefold social order, would enable colonial peoples to share in Commonwealth affairs without premature forcing upon them of the forms and conceptions of Western civilization.

Instead of being an exclusively British interest or the interest of a single dominion, the crown colonies, dependencies, protectorates, and mandated territories should become a Commonwealth interest, and a Commonwealth Colonial Council should be established under whose auspices a federation of the colonies should be formed, bringing them into the commonwealth system on an equality with the dominions themselves. North and South Rhodesia and Burma ought soon to be capable of full dominion responsibility on this basis.

## VII. INDIA

India holds a unique position, being neither a dominion nor a colony, but an empire; her status as a dominion cannot be long delayed. What prevents it is disunion, the extraordinary diversity, poverty, and large size of the population, of which seventy-one per cent is Hindu, and extensive British financial and other vested interests. I cannot discuss the problem of

India at length, though it is of the greatest possible interest and of the maximum importance. India herself is in a transition stage, under the influence of Westernizing ideas, an inevitably painful process. The federation of provinces and states created by the Government of India Act has not yet been set up, and since the outbreak of War steps towards it have been suspended, and we can take it for granted that they will not be resumed. It is just as well, for the irreconcilability of interests was to be crystallized in the new system and India deserves something different.

India's problem is to create such unity within herself that national independence becomes possible, and Britain's problem is to help to create that unity by facilitating co-operation and removing her own and other vested interests. Hitherto we have failed. The problem is partly religious, partly economic. Her religious divisions are deep; but if there were means of dealing with the economic problem, relieving the appalling poverty of her millions, and freeing them from the power of the moneylender, there would be prospect of unity, for, as everywhere, exploitation, poverty, and ignorance go hand in hand. India cannot be left to the mercy of whoever might succeed in dominating her, and must be put into a position in which she can effectively govern herself.

India's future is indicated in the New Order, for the functional principle and the threefold social system provide means of unity. The idea of function is understood in India. And the threefold social order is a purified caste system. The four classes of Manu—Brahman, the teachers; Kshattriya, the law-makers; Vaishya, the merchants; and Shudra, the workers—are the origin of functional ideas in human civilization,



and although the caste system is a curse in its degenerate form, it has great significance. With Indian institutions functionally organized, with the distinction between political, economic, and cultural activities recognized, with the elimination of private profit and relief from debt, and with a Senate, which India of all nations would know how to create, a new India would arise. And as those changes would not be brought about in India alone, but would correspond to changes throughout the Commonwealth, and in Britain herself, there would be every encouragement to Indians to lay aside differences and to undertake the task of reconstruction, including economic regeneration and development, with enthusiasm. Then would India be able to make her contribution to the Commonwealth, which would be of a cultural kind, she being the ancient source of civilization; for she has much to teach the nations of the West. Indeed, to bring to India our technics before we have learned her arts of life has been our folly.

Attention to the problem of India brooks no delay. The Commonwealth is weakened while it remains unsolved; with what conviction can freedom be fought for while India remains unfree? Our statesmanship in India makes plain the urgency of the awakening of a new spirit in British political life.

#### VIII. COMMONWEALTH FEDERAL INSTITUTIONS

Each of the three main Commonwealth Councils—political, economic, and cultural—should be composed of an equal number of representatives from the respective national Chambers. The principle of equality should be observed here, that principle of which so

much has been made of late. The nations of the Commonwealth should appear in the Federal Councils as equals, a demonstration to the world of what British collaboration means. The executive organs or councils should be formed out of the membership of each appointing Council together with other members nominated by the interested Boards and Councils in the various nations of the Commonwealth.

The following is an outline of the Commonwealth Federal institutions required to bring the New Order into being. It is assumed that the dominions have remodelled their social order on the New Order principle to enable this to be done. Centralization of the Commonwealth should be avoided by the creation of new imperial capitals, to which Britain herself, as well as the other nations of the Commonwealth, would turn.

(i) *The Political Council of the Commonwealth*

This will be the federation of Commonwealth states. It will be concerned with those subjects with which all the states of the Commonwealth will deal, law, civics, and the relations between individuals and associations. It will consist of representatives of the Political Chambers throughout the Commonwealth, and will meet at regular intervals. It should have its centre, say, in London, where it would have its secretariat. It would create among others the following organs through which the Council would work:

(1) *The Commonwealth Council of Defence* to deal with Imperial defence and to set up a General Staff. Commonwealth defence problems would then be co-ordinated and treated as one.

(2) *The Commonwealth Supreme Court*, taking over

the functions of the Judicial Committee of the Privy Council, composed of those who hold the highest judicial offices in the various nations. This Court should continue the traditions of the oldest of the Courts of England, and the greatest Court in the world.

(3) *The Commonwealth Civic Planning Council* to consider civic planning, boundaries, and so forth, combining with similar councils in the Economic and Cultural Councils to form the Council of Commonwealth Planning.

(ii) *The Commonwealth Economic Council*

This will be the federation of Economic Chambers, consisting of their representatives, and meeting regularly. It should have its centre, say, in Ottawa, where it would have a Commonwealth economic secretariat. It would have the following organs, among others:

(1) *The Commonwealth Industrial Council* to deal with industrial development throughout the Commonwealth.

(2) *The Commonwealth Agricultural Council* to deal with Commonwealth agricultural problems.

(3) *The Commonwealth Finance and Banking Council* to deal with Commonwealth finance and monetary problems.

(4) *The Commonwealth Economic Planning Council* to deal with economic planning in general throughout the Commonwealth, and to co-ordinate all economic planning.

(iii) *The Commonwealth Cultural Council*

This will be the federation of Cultural Chambers, consisting of their representatives, and meeting regu-

larly. It should have its centre, say, in Delhi, where it would have its secretariat. It would have the following organs, among others:

(1) *The Commonwealth Scientific Council* to bring together scientists and make their work effective throughout the Commonwealth.

(2) *The Commonwealth Council for Art* to bring artists of the Commonwealth together, including men of letters.

(3) *The Commonwealth Education Council*, bringing together teachers, and co-ordinating the educational system throughout the Commonwealth.

(4) *The Commonwealth Medical Council* to bring together the doctors in the various nations and to study the treatment of disease.

(5) *The Commonwealth Council of Cultural Planning* to deal with cultural planning in general throughout the Commonwealth and especially to give attention to backward peoples.

(iv) *The Commonwealth Colonial Council*

A Council formed of representatives of all the three Chambers in each of the nations of the Commonwealth to be responsible for the administration of the crown colonies, dependencies, protectorates, and mandatory territories. A large part of the colonial empire is not fit for white people, including almost the whole of Africa, and those areas will have to be colonized by coloured peoples, which will throw great responsibility upon this Council. It will have political, economic, and cultural sections. Its centre might be Cape Town.

(v) *The Council of Commonwealth Planning*

A Council formed of the planning sections of the four federal Councils for the preparation of plans to guide commonwealth policy, co-ordinating the entire civic, economic, and cultural effort of the Commonwealth, with special attention to immigration. Its centre should be London.

## IX. THE FEDERATED COMMONWEALTH A WORLD MODEL

The foregoing is a bare indication of what would be possible were the New Order established in the British Commonwealth of Nations. To describe the 'Commonwealth in Arms' as a new order is gravely to misuse words. Certainly, the dominions in the Commonwealth, as a league of free nations, have the makings of a new order, but it has yet to be made. The New Order means political, economic, and cultural institutions which do not yet exist. To create them is the task of imperial statesmanship. What is the use of Englishmen speaking of world unity unless they provide the conditions of unity in their own Commonwealth? Until Ireland discovers where she is, until India feels herself to be free, and until the colonies are on the way to self-government, we shall be charged with hypocrisy. The Commonwealth should point the way to world order by itself being a working model of international understanding and co-operation. We have accepted the principle of diversity in the Commonwealth; we recognize that nations associate because they are free, and because they wish to work out together their national future; we have to accept the obligations of unity, and to show what they mean in operation. There are some words of Edmund Burke's which deserve

to be recalled at this moment. In his address to the British Colonists in North America he said :

Public troubles have often called upon this country to look into its constitution. It has ever been bettered by such a revision. If our happy and luxuriant increase of dominion, and our diffused population, have outgrown the limits of a constitution made for a contracted object, we ought to bless God, who has furnished us with this noble occasion, for . . . enlarging the scale of rational happiness.

In a federated British Commonwealth there would be exhibited the working of a constructive spirit of unity, which would prepare the way for the New World Order, and guarantee its continuance.

## Chapter VIII

### THE NEW ORDER IN EUROPE

*I consider all men as my compatriots, and embrace a Pole as I would a Frenchman, and hold the national kinship to be inferior to the human and universal one.*

FREDERICH NIETZSCHE

THE War demonstrates the collapse of the structure of Europe, and the end of the old order. There must be a new Europe, as the old order with its dividing boundaries, its maladjusted economies, and its opposing political systems can never be restored. The might of Germany overwhelms the Continent, because the moral being of Europe had broken down: Europe had become sick of itself, and of its conflicts, despairs, and struggle to survive. Had moral defeat not preceded it, military defeat would not have been experienced. Thus the task is more than the destruction of Hitlerism; it is to restore Europe to belief in its own future. 'War is a God-appointed instrument to teach wisdom to the foolish and righteousness to the evil-minded.' There is a European tradition, as the heroic Greeks have reminded us, for which it is worth while to die. That heritage is no vain imagining but has its embodiment in the free communities of free men. Yet Europe had lost its sense of unity, for each country sought to save itself without regard for the rest, and everywhere the forces of spiritual change were resisted with blind obstinacy.

## I. THE PROBLEM OF EUROPEAN FEDERATION

When the First World War ended in 1918, the fruits of victory were thrown away in the effort to prevent a New Europe from being born. In the fear of revolution almost every tender bud of hope was sacrificed. What the New Europe could have been was not, indeed, clearly seen, for the mirage of the League of Nations filled the horizon. To have a New Europe without changing was thought to be possible, and now that uneasy dream has ended in revolutionary conquest by the mightiest military power the world has known, the clear vision of the future can appear. The European problem is pre-eminently political, or, to be more precise, spiritual. Spirit and body are one, however, and a new spirit in Europe must mean at the same time a new political order. Without faith and constructive purpose victory will again be lost when it comes at last to reward Britain's stand against the enemy; for unless it is understood that what is being fought for is not the re-establishment of Austria, Czechoslovakia, Poland, Norway, Denmark, Holland, Luxembourg, Belgium, and France our warfare loses its sacred meaning. Nothing less than a transformed Europe, in which the old problems will have been left behind because life is resumed on another level, will justify the blood that is shed. The restoration of the old Europe is not practicable since the collapse of France, and is not a cause for which a single man could fight.

The New Order is the answer that Britain must give to the question: What is the New Europe and how is it to be brought into being? Not mere proposals, not



plans, treaties, negotiations, and the apparatus of diplomacy, but an accomplished fact is what the situation requires. Britain herself as the model of a New Order in her own Commonwealth should provide that fact. That is the very theme of this book.

The New Order contains the answer to the question: Can Europe federate? for it furnishes the basis, aim, and method.

In all its history Europe has suffered because it has never found a workable federal principle. The Greeks gave Europe its philosophy of citizenship in the city-state; but they could not invent a system of federation, with the result that the free cities fell under the domination of Athens to be overthrown by authoritarian armies. The Romans had the conception of the free man as citizen of the civilized world, but did not know how to maintain their ideal except by the institution of arms, so the Republic became an Empire to be subdued by the barbarians it despised. From the collapse of the Roman Empire to the end of the Middle Ages the Catholic Church was the unifying element, but it did not succeed in reconciling liberty with authority. Throughout history, federation has been a dream, realized only by the practical Swiss in a small area. Had the Austrian Empire been a federal system, there would have been no First World War. Had Spain possessed a workable federal structure, there would have been no Spanish Civil War. There is no end to the tale. During the past two decades, the pacts and conferences between nations, and the pacifist movement in all lands, have been the alternatives to federation.

I shall not discuss the proposals for European Federation that have been made in the course of the

centuries. There have been many, and some of the greatest European minds have devoted themselves to their consideration. I must, however, refer to some of the latest of them. One of the most important was that of Count Richard N. Coudenhove-Kalergi, a Viennese, who, in 1923, founded the Pan-European Union, whose proposals gained support from M. Herriot in France, and Dr Stresemann in Germany. M. Briand took up the idea in 1929, and prepared a memorandum, which was circulated to all the European governments; but Briand's proposal took no practical shape; for it was not sincere, being designed to strengthen Europe economically in relation to the United States of America, and to overcome tariff obstacles in the interests of large-scale production. In the proposal of the Austrian idealist and the exploitation of it by the French politicians, Britain was left out of the continental federation. The United States of Europe was a magnificent title for proposals containing little that was genuine, a fact that is the shameful condemnation of European statesmanship, and brings the names of national politicians into contempt.

Reference should be made to the first federalist movement in England, founded in London in 1926 by the Serbian philosopher, Dimitrije Mitrinović, under the name of the New Europe Group, whose first president was Sir Patrick Geddes. The members of this group insisted upon the world historic character of the British race, and British initiative for European federation was pleaded for. The ideas of the Social State and of modern socialism were developed in its publications *New Britain* and the *New Atlantis*. A somewhat similar movement existed in France, l'Ordre Nouveau, founded by the philosopher Arnaud Danieau, who died in

1933. Yespersen's and Heerford's group for a New Europe, in Scandinavia, should also be mentioned, for it put forward a clear idea of Britain's place in a European federation.

Under the immediate threat of war, an American journalist's book, *Union Now*, aroused in 1939 intense interest in the idea of a federal union of democratic countries throughout the world on the model of the United States federal system. Federation came suddenly into favour as a defence against war, and conversion to the proposal was rapid and unthinking. The fact was ignored that every contemporary federal system was out of date, and as greatly in need of fundamental revision as any other existing political institution.

For instance, does the federal system of the United States of America, based on the unity of forty-eight sovereign states, provide a practical solution of the political and economic problems of Europe? The fate of President Roosevelt's New Deal is the answer. In Canada the federation of the nine provinces is a source of constant dissatisfaction, and serious difficulties exist in the federation of the six states of Australia. The other existing federations, the Union of South Africa, the United States of Brazil, the Argentine Republic, and the Union of Socialist Soviet Republics, are all uneasy except the last.

## II. THE PROPOSED FRANCO-BRITISH UNION

The remarkable offer made to France by the British Government in June 1940 for a union between the two countries indicates the trend of events. It had the immediate object of preventing the surrender of France to Germany, in which it was too late; for France had

decided to die. I put the terms of the offer on record here, to be kept in mind in the present discussion.

At this most fateful moment in the history of the modern world the Government of the United Kingdom and the French Republic make this declaration of indissoluble union and unyielding resolution in their common defence of justice and freedom against subjection to a system which reduces mankind to a life of robots and slaves.

The two governments declare that France and Great Britain shall no longer be two, but one Franco-British Union. The constitution of the Union will provide for joint organs of defence, foreign, financial, and economic policies.

Every citizen of France will enjoy immediate citizenship of Great Britain. Every British subject will become a citizen of France.

Both countries will share responsibility for the repair of the devastation of war wherever it occurs in their territories, and the resources of both shall be equally and as one applied to that purpose.

During the war there shall be a single War Cabinet, and all the forces of Britain and France, whether on land, sea, or in the air, will be placed under its direction. It will govern from wherever it best can. The two Parliaments will be formally associated.

The nations of the British Empire are already forming new armies. France will keep her available forces in the field, on the sea, and in the air.

The Union appeals to the United States to fortify the economic resources of the Allies and to bring her powerful material aid to the common cause.

The Union will concentrate its whole energy against the power of the enemy, no matter where the battle may be. And thus we shall conquer.

The proposal was the product of dire emergency, evidenced by the facts that it was made without consulting Parliament and without authority from the electorate. There was no protest against it nor would any protest have been justified, for the national existence

was at stake; and, in rising to an act of political creativeness, Britain gave evidence of the energy of her vital spirit. Before the War ends, it is possible that we may see other proposals for political change, even more far-reaching than that of the offer to France. It is advisable that such proposals should be made, not as sudden impulses in dangerous and critical situations, but as elements in preconsidered policy, inspired by a conception of the possibilities of national renaissance and enlightened by a vision of world order, to enable new political structures, national and international, to be set up. For these reasons it is essential that no time should be lost in examining the European position with new eyes so that every eventuality may be prepared for. That can be done if a principle of social order is recognized capable of application in situations as they arise. Otherwise commitments may be entered into that might impede ultimate victory and promises made that can never be fulfilled.

The New Order provides such a principle in function and devolution, and every possibility of the world situation in the present extending contest can be measured under its guidance. Action taken in accordance with it would be constructive for the War and for the peace to follow; commitments made in harmony with it would strengthen those allied in the cause, and the shape of the world to come would be discernible through the fog and uncertainty of events.

### III. FUNCTIONAL FEDERATION

I indicate, therefore, in the following pages what the New Order in Europe might be. It is the answer to Hitler's new order, as I shall show. First, it must be

said that federation is not anticipated as being possible between states that retain absolute sovereignty, for it is not contemplated that such sovereignty can be surrendered to a super-national body. I have already discussed, in accordance with the brevity observed in these pages, the general question of sovereignty, and I now apply what has been said. The federation of Europe in the New Order must be the federation of functional organs; states federating with states, societies with societies, and nations with nations. Thus there would be not a single European Federation but three federations, political, economic, and cultural, each autonomous in its own sphere, and none interfering in the spheres of the others.

The European Federal Political, Economic, and Cultural Unions would be formed by the political, economic, and cultural Chambers in the Parliaments of the different European countries. The functions of these Federal Unions would be the collaboration of each nation with the other European nations for its own sake, and for the sake of the continent. A common citizenship would be recognized, an obligation to keep a common law, the maintenance of a free economy and unrestricted cultural exchange. There would, however, be no single Federal Parliament, no central Federal Government, no supreme Federal Premier.

Within the framework of European Federation thus established there could also be regional federations among nations with common traditions, religion, language, and other interests. Latin, Scandinavian, Teutonic, and Slav federations, political, economic, and cultural, could be ancillary to the continental federations. Such *blocs* in the past have often had aggressive aims and have always been unwelcome to some

countries outside them; but there would be no need to hinder racial, cultural, or economic co-operation, where the functional principle was observed, and where the ends for which the association exists were clear. The elimination of private profit from the economic system, with the ending of the money power, will have taken away the motive that makes for economic domination by nations or classes. There will be national rivalries, of course, as there should be. But, the gross social injustices and inequalities of the old order having disappeared, the development and strengthening of the organic relationship between the individual and his environment may be expected to create a new attitude between nations.

We can find the answer here to the question: Will Germany after the War be a possible neighbour, having regard not only to her recent behaviour but to her history? The answer is that political institutions as functional instruments will not lend themselves to autocracy, and that Germany, in company with the rest of Europe, will be able to open a new chapter in her history. The failure of the First World War was that it did not bring Germany into the comity of European nations. Indeed, after it she became more self-centred and anti-European than before. To-day, the Second World War is another attempt at European unity, and the fruits of victory will be realized in Germany's willingness to forget her arrogant aims, and to become a good neighbour with others on equal terms. Germany is the youngest of the great European nations, which is her present strength as well as the cause of her weakness, and her overbearing insolence is largely that of self-assured youth convinced of the relative powerlessness of her older neighbours, whose

age has left them with inconsistency of aims, the result of the irreconcilability of the democracy they profess with the capitalistic oligarchy they practise. In the New Order, true democracy would be possible, for freedom is reconciled with authority.

Neither Germany nor Italy could be included in a federated Europe as members of the European family of nations with their National Socialist and Fascist constitutions. Their admission will depend upon their constitutions being transformed upon the functional principle. Totalitarian systems have the merit that they could be converted into their opposites. Germany must have a change of heart, and the German revolution that has never yet happened must take place.

Hitler expresses in his leadership the long frustrated desire for German unity, the deeply held conviction of German superiority, and the mystical conception of personal leadership. He represents, therefore, that against which only an idea can prevail, an idea more profound, more subtle, and more constructive than that which it replaces.

The doctrine, which has often been promulgated in the liberalistic atmosphere of parliamentary democracy, that one nation is not concerned with the internal affairs of another, and that the association or even leaguings of nations is possible though their constitutions may be irreconcilable, cannot be held in the future. Isolationism will not persist even as a shadow in the New Order; for what one nation does will be the concern of all, and the human family is not indifferent to its members' behaviour. Freedom in states and in social and national units is not callous disregard for each other; there must be basic understanding, harmony of ideas, the recognition of common



purpose, or unity is impossible. Only as states become reorganized on the functional principle and three-fold order, with whatever varieties of adaptation they may choose for themselves, will federation be brought within the realm of the practicable.

What is to be the position of Great Britain in the European Federation? The Churchill offer to France does, at least, indicate the answer. Britain belongs to the continental system and the European tradition, and she must be in the European Federation, for without her it would have a different character. But Britain looks westward and eastward and her interests are world-wide. This, however, should strengthen the federation; for while the British Commonwealth will not belong to the European Federation, it would be brought into relation with Europe in a way not possible hitherto, and the interests of Europe in the Commonwealth would have expression.

Russia is in a similar position. She belongs to Europe, and the Soviet Republics in Europe would be members of the European Federal Unions as well as of the Union of Soviet Republics. This presupposes, of course, the reconstruction of the communist system on the New Order functional principle, which the constitution of 1936 would make easy, involving the end of dictatorship.

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#### IV. COLONIES

The question of colonies, the extra-European lands in which European countries have interests because they are not self-governing, could be dealt with on a new basis. I have proposed that the British colonies should come under Commonwealth control, to replace

the sole control of Britain. There should be co-operation between the British Commonwealth Colonial Council and the European Federal Unions, to facilitate which a European Federal Colonial Council should be set up. This European Federal Council should also have an interest in the colonies of France, Holland, Belgium, Spain, Portugal, and Italy. Thus the sense of being deprived of colonial interests should disappear entirely from every country, for colonies would become federal interests. This question deserves consideration of a kind that it has not yet received; for a solution of the colonial problem which so greatly complicates European politics could perhaps be reached.

#### V. EUROPEAN FEDERAL INSTITUTIONS

The following are the proposed Federal institutions to give effect to what has been discussed above. Each of the Unions would be composed of representatives of the respective Chambers in the Parliaments of the European countries. Their constitutions would be provided by enactments in common form by each of the state political organs, and no alteration should be made thereafter without the agreement of the Union concerned. The functions of the Unions will be defined, and within those functions the decisions of the Unions in the spheres, within which they operate should hold. Each functional organ of the countries in the federation should undertake to observe the decisions of the Federal Union within the sphere of the functional objects of the Union. Careful definition is, therefore, of the first importance. The difficulties that have existed in previous attempts at international co-operation may be expected to be avoided through the

separation of interests, the fact that politics will not interfere with economics, nor economics with politics.

(i) *The European Federal Union of States*

In this body the political chambers of all European states would be represented. Its function would be the consideration of common interests in the maintenance of order, justice, and civic matters. The Union would meet regularly at fixed dates. For the sake of functional integration and observing the principle of decentralization, the various Unions should have different centres. The States' Union ought to be in London, if only for the reason that from London has come the impetus and direction for political transformation. The Union would create and maintain the following institutions:

(1) *The European Federal Court* to adjudicate on questions between different states, to establish principles of a common European legal code, and to be a section of the World Court. This court would consist of eminent judges from various countries, and should be constituted at The Hague.

(2) *The European Federal Defence Council* to consider questions of defence and armaments, and to set up a European General Staff. The idea of defence should be extended to apply to more than human foes, so that defence forces would be available for employment upon surveys, and for preventing and fighting fires and floods, and for relief in natural disasters such as earthquakes. Defence and physical fitness should be closely allied.

(3) *The European Federal Currency Council* to consider questions of currencies and exchange.

(4) *The European Federal Colonial Council* to consider questions relating to colonies.

(5) *The European Federal Political Planning Council* to consider questions of civic planning, migration of population, and other matters.

(ii) *The European Federal Economic Union*

In this body the economic chambers of all European societies would be represented. Its function would be to consider the economic interests of Europe as a whole, so that all nations may benefit and contribute to each other, and Europe enabled to play its part in world economic order. It would employ economists upon plans for the development of the continent, and raising the standard of life among all its peoples. It might have its centre in Vienna. It should set up the following Councils among others:

(1) *The European Federal Finance Council* to deal with credits and exchanges of commodities.

(2) *The European Federal Economic Planning Council* to consider economic planning throughout the continent, including the location of industry and the use of man-power.

(iii) *The European Federal Cultural Union*

In this body the cultural chambers of all the nations should be represented. Its function is the spiritual and moral unity of Europe. It will be concerned with the traditions that have made Europe what it is, also with the future, that which Europe is becoming. Its centre might be Rome. Councils for co-operation on various subjects would be set up, among them:

(1) *The European Federal Scientific Council* to bring scientists together, and to facilitate the bearing of science upon European problems as a whole.

(2) *The European Federal Council for Art* to represent European art.

(3) *The European Federal Planning Council for Culture* to consider cultural planning in general, and the development of contacts between cultural agencies throughout the continent.

(iv) *The European Federal Planning Institute.*

This Institute should be a combination of the Planning Councils of the three Federal Unions. It should function as a clearing house for all proposals for co-operation and be a centre at which the interests of Europe in every sphere could be considered. It would take the place of a Federal Government; but it should not function as a government, being wholly advisory. It should be so constituted, however, and work in such a manner, that its recommendations should have the force of the highest authority in the European order. Its centre might be Geneva.

## VI. THE GERMAN NEW EUROPEAN ORDER

Having outlined the new European Order without any attempt at elaboration upon the themes that it presents, but inviting the reader to consider the significance of the proposals thus briefly made, it is necessary to glance in conclusion at the claim made by Hitler and his associates to be setting up a 'new order' and to be creating a 'New Europe.' It is possible that some people may suppose that there is a similarity between what is proposed in these pages and what the Germans profess to be attempting. There are, indeed, certain superficial likenesses, but the two proposals are fundamentally different in structure and

aim, for the spirit of one is despotism and of the other freedom. Taken at their face value, there is much that seems excellent in some of Hitler's pronouncements. For instance, in his New Year message on the last day of 1939 he said:

In the positive sense we are fighting for the building up of a new era, for in contrast to Mr Chamberlain we are convinced that this era cannot be formed by the senile Powers and decaying world, by statesmen who cannot even solve the most primitive problems in their own countries.

We are convinced that for the rebuilding of Europe those countries and forces must be called upon which, from their attitude and their proven capacity, can be described as young and productive. The future lies with those young nations and systems.

On 4th September 1940, on the anniversary of the War, Hitler said in Berlin:

It is necessary to realize in this struggle how important is the organization I am building up of our German national life. What strengthens the German soldier is the consciousness and the knowledge that at his back there stands a whole nation, united by iron determination and a fanatic will, and with a high aim before it.

This goes far beyond winning the War. We want to build up a new State. For that reason our opponents hate us so to-day. They are plutocracies, in which a handful of capitalists can rule the masses, naturally closely co-operating with international Jewry and the Freemasons.

They hate us because of our social creed, because all that we plan and carry out seems dangerous to them. I am convinced that the world and the future belong to this development. I am convinced that States which do not join in this development will collapse sooner or later.

People who are divided, each going his own way, can be broken. Eighty-five million people who have the same will and the same resolution, who are ready for the same deeds, cannot be broken by any one.

These words have to be set in the background of facts that belong to the Nazi system, the outstanding element in which is the failure to carry out any part of its social programme; but lacking in veracity as they are, and representing the characteristic insincerity of present-day politics in all countries, they none the less imply certain truths that cannot be ignored. Hitler has a plausible case on behalf of his 'new state,' the states against which he is fighting being obviously outmoded, which enables his own countrymen to justify the prodigious efforts called for, and the sacrifice of blood and freedom that is entailed, a feeling of justification fortified by the collapse of France; and it is undoubtedly true that many people elsewhere have been impressed by the superficial features of National Socialism. The following short accounts of the German and Italian systems sufficiently display their main features.

#### VII. GERMAN NATIONAL SOCIALISM

The German 'new state' is a dictatorship in which the Fuehrer and Chancellor is supreme in all political, economic, and cultural matters. There is only the Fuehrer, no one else counts. There is no freedom of the press, or of thought, or of association, and personal freedom is not known. The Reichstag, elected on 5th March 1933, gave absolute authority to Hitler and his Cabinet, which were thus possessed of unlimited power to make laws even if contrary to the constitution. The Cabinet immediately put its entire powers in Hitler's hands and became only a consultative body. The Reichstag thereafter retained only advisory functions. No political party is tolerated

except the Nationalsozialistische Deutsche Arbeiterpartei. All political authority is centralized, the law courts are organs of the central government, there are no local authorities, only the representatives of the central government, no budget is published. It is almost useless to consider the German system in detail, for it is an improvisation purely opportunist and revolutionary. What exists to-day may be changed to-morrow, the only constant element is Hitler's will. But a glance should be taken at it.

Hitlerism is not a new phenomenon in Germany. It is the latest, most complete and successful development of inherent German aims. Fichte's remark, '... *the people simply, Germans,*' contains its spirit, and its expression is in the idea of German hegemony ever vividly alive in German minds. Hugenberg's Pan-German Association of 1890, Bernhardt's demand for a free hand in Europe before the First World War, and Naumann's *Mittel Europa* during the War, were some among the more recent signs of Germany's insensate craving for greatness. The wretched Hitler, in his prison, glorified the German as the highest human type and visualized a quarter of a million Germans on the continent of Europe served by the peoples of subject nations. When he so incredibly came to power in 1933 he found everything to his hand. Germany needed him. Had he not been born in despised Austria he would have had to be invented. The Republic had already become virtually a dictatorship; for Parliamentary government, so new and strange to the country, had practically come to an end in 1930 when Dr Brüning became Chancellor of the Reich. The Weimar constitution, which, it may be noted, is still unreppealed, re-established a German federation, but such



restricted powers were left to the seventeen federated states that they were little more than administrative regions. Sovereignty was centralized, and with it finance. That constitution did, however, possess democratic elements; but the unfamiliarity of Germany with democratic institutions, the appalling political and economic crises through which the country passed, resulting finally in the collapse of all sense of security, brought about the almost total elimination of any democratic elements. Germany was the prey of economic exploitation under the cloak of state control, which had gone far, for prices and wages were subject to regulation, there was stringent exchange control, and almost complete control of imports and exports.

In the Weimar constitution provision was made for a new economic order, which made possible the most extensive centralized direction of industry. The strong tendency of German industry to form trusts and cartels had been consolidated during the First World War, and the active rationalization that was a commonplace of the reconstruction period carried the tendency further, aided by industrial bankruptcies and the extended power of the central bank. The new constitution proposed the setting up of a National Economic Council with local works and district councils. The constitution said:

The workers and salaried employees are called, with equal rights with the employers, to the regulation of conditions of works and wages as well as to co-operate in the joint economic development of productive forces.

The National Economic Council and the workers' councils were, in fact, formed, but they remained merely in an elementary stage until Hitler and his associates took hold of them and used them to regiment the economic system in the shortest possible time.

The German economic system is now governed by (1) the National Labour Act, 1934, which requires every establishment employing twenty persons or more to have a workers' council to advise the employer, who is the chairman of the council, and made the leader of the establishment. The Nazi principle of leadership provides for the 'authority of every leader downwards and responsibility upwards.' As leader in his establishment the employer has absolute power, determining the just wage and the working conditions. (2) The employers, or economic leaders, are separately organized in the organization of the Economic Regime, which has six Reich national groups: industry, handicraft, commerce, banking, insurance, and power. The groups are subdivided, and regionalized in Chambers of Economy, with a Reich Chamber of Economy over all, controlled by the Reich Minister of Economy. Membership is compulsory for all employers. (3) The German Labour Front, which includes everybody in remunerative employment, irrespective of economic or social position. The Labour Front is organized in blocks, cells, local groups, district groups, and regional groups, with a Reich executive; it is closely tied up with the Nazi Party, Dr Robert Ley, the Reich organization leader of the party, being its leader. The Labour Front replaced the trade unions. It is organized in five Reich sections: for the maintenance of social peace, for raising the standard of living, the treasury section, the supreme tribunal for social honour and discipline, and the section for factory troops. It has eighteen vocational groups. The Strength through Joy movement is affiliated with it. Before the War the Labour Front had approximately one official for every thirty members; membership was compulsory, members had no voice in anything,

subscriptions, regulations, appointments, and policy were all directed from above; the movement of labour and the choice of jobs was restricted.

The cultural element is provided for in the National Chamber of Culture, established on 22nd September 1933. This is composed of representatives appointed on behalf of all who practise any of the arts, music, art, theatre, literature, the press, radio, and films, the object being, in the words of Dr Karl Frederich Schreiber:

. . . to merge together the creative elements from all fields for carrying out, under the leadership of the state, a single will . . .

As an instance of the working of the Chamber of Culture, Dr Goebbels announced in November 1937, that henceforth there was to be no criticism of art, literature, music, and drama, including the cinema.

A more complete contrast to the New Order proposed in these pages than the German system it would be impossible to conceive.

As notorious despot of Europe, Hitler is reducing Europe to a condition in which German exploitation lays the foundation of the new political and economic system in which Germany is to live at the expense of other nations, even at the expense of her present ally, for Professor Fick said in December 1940, speaking enthusiastically of the future: ' . . . Germans will travel in Italy, and Italians will work in Germany'! Note that the Nazi programme for improved social conditions after the War is already announced, promising the abolition of compulsory military and labour services, six million new houses, reduced working hours, paid holidays with free travel, and pensions at sixty-five maintaining the accustomed standard of life.

## VIII. ITALIAN FASCISM

Mussolini's Fascist State was the forerunner of the Nazi system, and pretends to doctrinaire qualities, which Hitler's repudiates. The first Italian corporative state was established by Gabriele d'Annunzio, the poet-airman, who occupied the State of Fiume in 1919, where he set up ten vocational associations, into one of which every worker was to be enrolled. The Italian nationalists, with the aim of subordinating workers to the employers, making the employers subordinate to the state, took over d'Annunzio's scheme, which Mussolini absorbed when he came to power. The Fascist system thus professes to be a functional order. Mussolini undoubtedly borrowed his doctrine from the sociological writings of the Viennese Othman Spann, who put forward a theory of 'absorbing the state by the estates,' and proposed the formation of three states—an Economic Estate, a State Estate, and an Intellectual Estate. Spann was a political philosopher, which, of course, Mussolini never was, but the dictator clutched at Spann's theory because in it the economic estate is, in effect, the supreme estate, for it has legislative and judicial functions and the power of taxation, which can easily be supposed to have appealed to Mussolini's syndicalist mind.

The Fascist Parliament has two chambers, the Senate and the Chamber of Fasci and Corporations. The Senate consists of princes of the royal house above twenty-one years of age, and an unlimited number of persons above forty years of age, nominated by the king for life. On 28th October 1939 the Senate consisted of eight royal princes and five hundred and

thirty-seven others. The Chamber of Fasci and Corporations consists of one hundred and fifty members of the Fascist party and five hundred members of the National Council of Corporations. The Duce of Fascism is an additional member. The members are called National Councillors. Laws come before both Chambers; but the Duce has power to submit laws for the king's sanction and promulgation after perusal by a legislative commission of the Senate and Chamber. Thus the dictatorship. Moreover, there is a body called the Gran Consiglio del Fascismo, consisting of (a) the *quadrumviri* of the march to Rome, for life; (b) ministers and others while they hold office; and (c) members appointed by the Duce for three years. This body gives its opinion upon proposed legislation and the organization of the Fascist party, and its approval is necessary of all questions of a constitutional nature. The only political party is the Partito Nazionale Fascista, the secretary of which is also secretary of the Gran Consiglio. In such ways is the dictatorship systematized and made complete.

The entire national life of Italy, including the professions and arts, is grouped in twenty-two corporations of employers and employed, which appoint the National Council of Corporations, of which the Duce is president. The duties of the corporations are to conciliate between organizations, to co-ordinate production, to deal with employment, to regulate conditions of work, discipline, and to fix prices for goods and services.

Fascism is nearly related to syndicalism, the economic system being predominant; but the personal dictatorship of the Duce and the inclusion of employers in the corporations are fundamentally irreconcilable with

syndicalist doctrine. Italian Fascism is far removed from being a functional order, which Mussolini's formula makes clear: 'All for the State; nothing outside the State.'

#### IX. THE CORPORATIVE SYSTEM

The question arises, is there anything to be learnt from the German and Italian systems? In their expressed criticism of parliamentary democracy and in their ending of perverse party conflicts they both have real justification, but their demagogic political methods and their dictated social order are not improvements on what they condemn. They are both militaristic systems, glorifying arms and the art of war, and their relation to the arts of peace does not appear, so that, as I have said, it is useless to consider them in detail. The one constructive element in both systems is the corporative idea, which is a valuable contribution to social organization. The idea is not new in either Germany or Italy, for vocational corporations go back to the Middle Ages and to the guilds. In my view a corporative system is the correct method of economic organization in the sense of self-governing chartered industries; but in National Socialism the idea is perverted, for the state becomes church and school, as well as workshop. Fascism has made terms with the Church; but they are such terms as enemies would make. The totalitarians use the corporative system to corrupt the entire social order and to bring it under control. Vocational organization is not for the sake of the vocations or the workers, but for the absoluteness of dictatorship. In Germany and Italy the political system plays a subsidiary role, justice and

fraternity being subordinate elements, and culture and politics are indistinguishable.

A functional economic system such as has been described in this book is altogether different from these corporative systems, for it separates economics from politics, so that man as citizen is distinguished from man as producer with different obligations in each sphere of activity.

I cannot pass from this subject without observing that the Catholic Church looks with favour upon corporative systems of society, derived from the theory of corporations of the later Middle Ages, which gives a certain validity to Fascism and National Socialism, which is undeserved, for neither is in harmony with Catholic doctrine. The attitude of Catholicism to the Spanish dictatorship of General Franco lends support to the view that there is something in common between authoritarian states and the Church. The new Spanish state is modelled on Fascism; it is a mere dictatorship, the Leader or Caudillo appoints his own ministers, and only one party is tolerated. Its difference from the dictatorial enemies of Europe is hard to see.

Some recent Catholic writers claim the corporative state as distinctly Catholic, declaring it to be the traditional Catholic society; but in their dislike of capitalism, which they share with socialists, they seem to lack discrimination; for exploitation of labour, which is the vice of capitalism, is none the less the vice of corporative systems, which do not eliminate authoritarian elements. Authoritarianism produces authoritarianism because it cannot avoid extremes. A social system, which was merely regulation on the basis of vocation, could serve the purpose of tyranny; the

functional principle is necessary to correct over-concentration and exaggeration of power.

#### X. THE QUESTION

The final arguments for European Federation are that the restoration of the *status quo* is impossible, and that a European revolution is inevitable. The question is, how will the revolution be brought about? Should the War end without the revolution, it will remain to be done, which may mean further strife and a new alignment of peoples. This would be unnecessary if the revolution had already been accomplished in one nation and if one new national structure had been established on the New Order basis. The argument I have put forward in this book is that the guidance Britain should give the continent is to carry out this constructive revolution, simply and completely, so that Europe as a whole may follow its example.

Unless that be done we shall have a victorious Britain still saddled with its obsolete social structure facing Europe in collapse. There will remain two significant and powerful forces represented by disciplined and social Germany defeated and overcome by spiritual anarchism, and spiritual and individual Russia transformed into her own opposite through materialism and mass order. A synthesis of those two forces would be certain, which would create a new enemy and require the War to be fought all over again. The German spiritual movement combined with the Russian materialistic movement would be an overwhelming evil, for the German spirit is bad and the Russian is gross and mechanical, so that the revolution would be of darkness involving perhaps the eclipse of the human spirit.



The alternative to such a disaster is the New Order, which is the reconciliation of opposites, the human mind above and between the spiritual and the material, the victory of free men who have courage to inaugurate the Social State. Such men will bring it into being, not merely talk of it, or make plans for it, or only expect it to be. They will be the saviours of Europe. Will they arise in Britain? Will these saviours make the New Britain, which will enable the New Europe to be? If so, the prayers of devout souls will be answered, millions of broken hearts will be healed, and the blessing of Providence will be upon mankind.

## Chapter IX

### THE NEW WORLD ORDER

*To imagine that there is a goal for this nation or that nation, and not for all nations taken together, would be absurd*

DANTE

THE object of world order is the organization of the human household. It is the unity of all peoples, races, and nations. It is to realize St Paul's ' . . . neither Greek nor Jew, circumcision nor uncircumcision, Barbarian, Scythian, bond nor free, but Christ is all.'

#### I. THE NATION AS THE MODEL

World order mean the world as a single nation. But the New World Order will be more loosely organized than the new nation; for the World Commonwealth is more spiritual and less concrete than the concentration of people in a national commonwealth. Therefore, the world order will be strongest culturally, the most fully organized economically, and the most lightly felt politically. Political union of the world will be the most difficult and will come but slowly. For this reason I see no advantage in considering a constitution for a Federal World Union such as Clarence K. Streit has formulated in *Union Now*. The conception of a functional world order has nothing in common with the conception of a World House of Representatives and a World Senate with a World Government.

The New World Order on the principles of the New

Order outlined here would not be a world super-state, nor a world government, nor an overriding authority dominating the nations. On the contrary, it would have no governmental functions, no coercive powers, and would depend on free co-operation. The New World Order would not re-create the sovereignty, which elsewhere had withered away.

There are four forms of world co-operation required to enable a New World Order to come into being; they are concerned with (1) religion, (2) education, (3) law, and (4) planning.

## II. WORLD RELIGION

In cultural matters world association presents the fewest obstacles, for science and art by their very nature know no boundaries; but religion is the field of the deepest conflicts and has rigid boundaries of its own. To bridge these boundaries is the first task of world statesmanship. The subject has been discussed in Chapter V, but it arises as the crucial issue of world order, for, unless religion expresses common humanity, the social order cannot express it. Scientific synthesis, not yet realized but an immediate possibility, could take the place of religious leadership, as I have said; but in the absence of religious unity, scientific leadership would be a peril to the world. Science speaks cold and pitiless truth; its place is instrumental in the hands of prophecy. Religion is human will warmed by emotion, inspiring the prophets, who, with science as their method, announce the transformation from age to age of mankind and the world. Therefore, religions must reconcile for the sake of prophecy and the world future. Unless re-

ligions reconcile education will be poorly served, for without religious background education lacks meaning, which science cannot supply.

That religions should recognize each other is demanded by the spiritual law of tolerance. Each religion answers to some need in human souls, so that there should be one Church in which the altars of every religion are set up, symbol of unity in the profoundest depths of human consciousness. Catholicism, as its name indicates, has within itself the capacity for such unifying action. The significance of Christianity as a religion is that 'it declares that the world is worth saving.' One of the fateful moments in our human existence will be reached when the Church decides whether it will take the leadership of the world or remain closed in self-righteousness. The Church, in which are co-ordinated all human issues, must by a sublime act of reconciliation represent the unity of the human species.

### III. WORLD EDUCATION

The object of education is to see that every child has the same vision of the world with its own local cultural pattern. What would it not mean for the world's future if every child were educated from infancy in a devotion to the ideal of the human household! Education and culture are rooted in locality and their quality is conditioned by the depth and vigour of local life, for local institutions are the repositories of tradition; but it is equally true that the balanced mind requires the strong conviction of common human origin and destiny. Every educational scheme must consist of local culture with a world view and

understanding of the World Commonwealth. When that is accomplished Kant's ideal will be realized of 'a long and intensive . . . education of the spirit for all citizens in every country.'

Culture is the realm of the child, for children represent the future, the self-fulfilment of man, and for the sake of the child abundance is shared. Without an educational system generous, honest, inclusive, and free to all, the duty of man is not done to his children. From this educational system there should be no exclusion on account of birth, race, colour, or class. The New World Order should have as its dearest object the breeding, nurture, and development of the world's children, to achieve which all national cultural organs should unite. The improvement of the human race, the elimination of physical and moral weakness, the multiplication of the best types, the cherishing of the most energetic and creative individuals are world aims and the interest of all.

#### IV. WORLD LAW

World law will define the relations between men for harmonious living together. The functional principle is the definition of duties in relation to ends, and the rights attaching thereto. What are our duties as members of the human household? What rights do the discharge of those duties confer? These are the questions to which world law has to supply the answers. Here H. G. Wells's *Declaration of the Rights of Man* has a place; those rights are: (1) the right to live, (2) protection of minors, (3) duty to the community, (4) right to knowledge, (5) freedom of thought and worship, (6) right to work, (7) right in personal property,

(8) right to freedom of movement, (9) right of personal liberty, (10) right to freedom from violence, and (11) right to law-making. These rights, recognized throughout the world, embodied in world law, would be the corollaries of world duties. An end would be made to slavery, and to all relationships allied to slavery.

A World Court would be set up, composed of the judges of greatest eminence in all nations, to sit at The Hague, to adjudicate on world disputes and to apply the principles of world law. All issues between the members of different states and between the states themselves would come before it. It would administer world justice for the sake of the fraternity of peoples.

World law is not a different category of law from state law. It should not be confined to relations between states, which is the character of existing international law, as though such relations belonged to a different realm from human relationships. World law should be law for world citizens. The conception of world citizenship, of rules of law running throughout the world in all continents, should underlie the conception of world order so that the feeling of 'not belonging' would disappear, and all that has hitherto been connoted by the word 'foreign' would gradually become obsolete. Thus through world law would the liberties of mankind be increased.

#### V. WORLD PLANNING

To mobilize the resources of the world will be the aim of world planning. It will be a social activity with civic and cultural aspects. Since Lenin's first five-year plan, the fascination of national planning has

held the imagination of mankind; but it has been discovered that in societies in which private interests predominate such planning is not practicable. Only by despotism, or by communism, or by the New Order, can it be achieved. In the New Order, the planning organs of the different peoples of the world will unite to set up a world planning organ. The object of world planning would be to establish a plan of world issues, to ascertain first what things from a world point of view need attention, and then to decide what steps should be taken to deal with them.

The World Planning Commission would be composed of representatives of the planning councils of every nation. It would be a Commission of experts, and would employ experts. It would consist of civic, economic, and cultural representatives and experts; for planning issues are never of one simple kind, and planning is urgent in every sphere. The World Planning Commission would not be an executive body. It would examine facts, provide methods of co-ordination, suggest lines of development, indicate trends, show the causes at work and the effects they will produce, acting as a source of light and guidance so that nothing need be done in ignorance; but it will not be a sort of world government under another name, nor a method of world control in which the strong are able to dominate the weak. The organs through which effect would be given to the conclusions of world planning will be the planning organs of the nations.

The civic element in planning has to do with the relationships of peoples and particularly with the movements of population, migration, the peopling of empty spaces, and the relief of overcrowded areas. The pressure of population in Germany, Italy, and

Japan would be a matter of immediate concern. These problems belong to world policy, and should be so considered. The distribution of population is primarily an economic problem, but biology comes in, and sociology, and the applied sciences in industry and agriculture. Plans for the redistribution of population and for the development of natural resources to serve the needs of the world must quickly be prepared.

Wars, floods, and pestilence have hitherto been the chief regulating factors in population. But the rate of human increase is everywhere declining, and the world is faced with an actual decrease in population in a measurable time. The question is, does this serve the interests of the human race? The problem of population is a world problem, and ought to be considered from a world point of view; it is beyond the scope of national treatment, as Germany and Italy have proved.

World statesmanship would be displayed in the effort to synthesize the peoples of the world. In every nation statesmanship in the New Order would be the art of looking at home affairs in the light of world objects and of the maintenance of a world view in which local interests were set. Statesmanship is concerned with forms, and its intuitions have to do with the anticipation of events. From this arises its creativeness, and from the degree of creativeness arises genius. Apart from this, statesmanship is mere routine, and its supposed pre-eminence a sham. In the statesman should be combined the qualities of prophecy and science, for he should be the man not taken by surprise nor at the mercy of events.

In the New World Order the local community will have association with communities throughout the



earth, and will become productive in the highest degree through the realization of common interests. This has been attempted to some extent in the past by towns of the same name in different countries establishing some kind of contact with each other, prosperous towns taking care of the towns suffering from depression, etc. The principle of inter-communal relations could be carried much further. Through world order there would be no isolation of peoples, justice would be done everywhere. The foundation of politics in locality, its extension throughout the world on the same principles, and its enduring activity would increase the fruitfulness of political work and the honour of those engaged in it.

#### VI. WORLD ECONOMY

Economic questions dominate world affairs; for a place in which to live and enough food to eat override all else. The planning of production and distribution raises world issues, for no nation is self-sufficient. Neither are continents; for Europe, which is mainly engaged in exporting manufactured articles, and receiving raw materials in exchange, is now required to adjust its economy to the economy of the other four continents. Moreover, the tribute exacted by money power has to be brought to an end. In the New Order free from the shadow of the financier, the association of economic chambers could solve those problems of economic organization which have hitherto evaded international collaboration and world economics would take a different pattern from any hitherto seen. An indication of the possibilities of entirely different economic relations was made in President Roosevelt's

proposal of December 1940 to 'cut out the dollar sign' from future transactions during the War between Britain and the United States.

The elements of world economics are the international division of labour, and variations in natural resources and in human aptitude and skill. Included in the scope of the new world economy would be the maintenance of a world price structure between nations and a stable world money. The international co-operation made possible in the New Order would aim at fitting the economic position of each country into the total world scheme. That will not be an easy task; but how much simpler and more practicable to handle under the New Order than any which has faced Economic Conferences in the past! Agriculture and industry, and the production and distribution of raw materials, reviewed in a world context, become different problems from the conflicts of markets, and the complications of national and international finance, which have occupied the attention of political economists up to the present. World economy is more rational than national economy, and the issues are less difficult to see. Within the aims of how to achieve abundance and how to distribute it, the working principles of world economy could be established. Hitherto world economy, to the extent that it has operated at all, has been confined to preventing over-production and to seeing that markets are not put out of action by plenty. Even during the War British action in the world economic field has included the buying up of produce to destroy it, partly to prevent its falling into enemy hands, partly to prevent it from upsetting prices.

To make a survey of world economic resources, to examine the degree in which they are used and to

what extent they should be conserved or how their employment could be extended, would be an important function of the Commission. Coal, oil, forests, water, and other kinds of natural resources are at present often wastefully allowed to be exhausted, and their protection by better scientific methods of working and by other means will come within the Commission's scope. The observance of period trends and provision for the future would become possible.

Within the World Planning Commission there would be a department of technology, which would embrace the applied sciences, including the science of organization; to tackle the practical problems of what man needs, what nations need, and how these needs can be met, will be its task. Economy, avoidance of waste, employment of man-power, material resources, and inventions, exploration, and the preservation of amenities would be brought within the sphere of world organization for the first time, with momentous consequences for the peoples of the world.

#### VII. WORLD CONSCIOUSNESS

Planning has dangers because of its centralizing tendency, which is one of its essential characteristics, and policy, which is of the highest importance in planning, has inevitably a tendency to become fixed. Crystallization is necessary, but equally necessary is its neutralization, which is effected by keeping plans under constant revision. Planning that remains static and becomes devoid of imagination is worse than not to plan at all. That is why the World Planning Commission must contain civic and cultural elements; especially must economic planning be subject to cultural

scrutiny. To prevent planning from becoming an end in itself it must be challenged as to its meaning, which is a cultural function. A further danger in planning is to discourage enterprise. Therefore in the World Planning Commission there must be provision for spontaneity and individual initiative.

In this connection it may be borne in mind that differentiation of functional organs can be expected to increase awareness in the average citizen of the working processes of the social organism and to develop his sense of citizenship. In the higher developments of the social organism, the specialization of individual functions accompanied by social independence will play a leading part. More complex, richer, and more highly productive communities will be brought into existence than have hitherto inhabited any part of the globe. New social doctrines will be formulated, and new economic and political sciences will be created in place of much that will be discarded.

#### VIII. CONTINENTAL FEDERATIONS

Continental federations will play their part in the New World Order. I have discussed the British Commonwealth and European Federation. We can anticipate that there will also be an American Federation, the elements of which already exist in co-operation between North and South America, in which Canada shares, an Islamic Federation, an African Federation, a Federation of Oceanic Islands, a Jewish Federation, and an English-speaking Federation of the British Empire and the United States, towards the formation of which events are rapidly moving. A Russian Federation extending into two continents is

already in existence. These federations should be composed of political, economic, and cultural institutions, thus forming not a single federation in each instance but three.

#### IX. THE JEWS

I do not intend to detail the picture of these various federations; but something should be said about Jewry. In a sense the Jews are the outstanding world problem, for they affect many nations and all continents, and are the excuse for many troubles if not the cause of them. Anti-Semitism has a certain degree of popularity in all countries, and is easily made a national issue. Something more is necessary than has yet been attempted anywhere to deal with the facts upon which anti-Semitism is based, and the feelings which support it. Already it seems clear that the solution of the Jewish problem is not to be found in the Jews as a nation with a national home. The claim to be the chosen nation is two thousand years out of date. Their national home in Palestine can be only a symbol; it needs to be merged into a Jewish World Federation. For the function of Judaism is to act as mediator between intellect and the world, between thinking and the thing produced. Jews have suffered much in the world collapse, having played their part as instruments in it, for Marx invented the weapon that has ended civilization. His was an intellectual victory, and now Jewry must be constructive, for only by constructiveness on behalf of mankind will the Jews save themselves.

Jews are spread throughout the world, the most mixed of races, therefore understanding all peoples,

and their part in the civic, economic, and cultural spheres of the nations lies in observing the functional obligations of associations. Yet the Jew has his distinctive part, which is not to bend national life his way or to serve his own interests; but to contribute distinctive Jewish qualities for the national good and the sake of humanity. There has been a false federation of Jewry in finance, which will have no sphere of action, real or imaginary, in the New Order. Hitherto, the Jews have been prominent as exploiters and exploited, and that, too, will end. The Jew, industrious above all men, will be able to use his worldly gifts, but make his mark especially in the cultural sphere, for he has the capacity for whole-hearted devotion to science and art: there the Jew can be most himself. To effect this Jews must choose between their own nation and that of the nation which is host to them; they must either adopt the religion of, and share full responsibility for, the country in which they live, giving up being Jews in every way, or they should continue as Jews, devoting themselves to the civic, economic, and cultural associations of their own Jewish Federation.

Areas for the Jewish World Federation should be found in all continents, and while those areas must necessarily form parts of various national systems, they should be integrated in the Jewish World Federation on the New Order pattern, with its civic centre in Palestine, its economic centre in (say) Biro-Bidjan, and its cultural centre in America. Then St Paul's words will be fulfilled: 'If the casting away of them be the reconciling of the world, what shall the receiving of them be, but life from the dead?'

## X. THE ORGANS OF WORLD ORDER

The organs of the New World Order will be established by the states of the world, as those states become organized on the functional principle and the threefold system. The Parliaments of the nations will make the necessary agreements between each other, and political, economic, and cultural unions will be created, each autonomous in its own sphere. They will meet at stated times, and will work through institutions some of which are referred to in the following outline.

(i) *The World Union of States*

This would be the Federal Union of the States of the world. A similar basis of representation to that proposed in *Union Now* might be adopted, except that the representatives should be appointed by the State Chambers, not elected by national electorates. The World Union of States might have its centre in Paris. It would set up, among others, the following institutions:

(1) *The World Court* for the administration of world law and to decide legal questions referred to it by local Federal Courts. Its seat to be at The Hague. The Court to be the highest legal authority, and all states to be bound by its decisions.

(2) *The World Defence Commission* to deal with defence and armaments and the protection of world order.

(3) *The World Currency Commission* to deal with questions of currencies and exchange.

(4) *The World Political Planning Commission* to consider questions of boundaries, migration, civic planning, and related matters.

(ii) *The World Economic Union*

This would be the Federal Union of the Economic Chambers of the world. The basis of representation would be similar to that of the States Union, the representatives being appointed by the Economic Chambers of the different countries. The Economic Union would realize Marx's dream, 'Workers of the world, unite!' not in proletarian unity, however, but in the unity of all workers. Its centre might be New York. It would have institutions for various economic purposes, including:

(1) *The World Agricultural Planning Commission* to consider agriculture from a world standpoint, with the aim of adequate and balanced production, the full application of science, and the preservation for posterity of the fertility of the world's soil.

(2) *The World Communications Commission* incorporating the Postal Union as at present and including cables and wireless.

(3) *The World Power Commission* to co-ordinate power supplies of every kind; for power ought to be on a world basis.

(4) *The World Transport Commission* to co-ordinate all forms of international transport by land, sea, or air.

(5) *The World Economic Planning Commission* to consider the economic planning of the world. The International Labour Office should form part of this Commission.

(iii) *The World Cultural Union*

This would be the Federal Union of the Cultural Chambers of the world. Its aim would be the clarification of all world issues, and the perfecting of the human race. It will maintain the principle of 'civilization as



an interest of all men and of humanity as a whole,' and will uphold the ideal of civilized man. Its centre might be Delhi. It would set up institutions, among them the following:

(1) *The World Commission for Religions*, in which the religions of the world will meet.

(2) *The World Commission of Science* to bring together men of science and to make their influence felt on world affairs.

(3) *The World Educational Commission* for considering all educational questions and world co-operation in higher education.

(4) *The World Cultural Planning Commission* for cultural planning, the increase of civilization, the maintenance of values, and the raising of backward nations to their social unity with mankind.

(iv) *The World Planning Commission*

The union of the planning Commissions of the World Federation with the object of taking a planetary view of human affairs and synthesizing world development in every sphere. Its supreme aim will be to prepare for the future. The Commission might have its seat in Moscow.

#### XI. THE CALL

The conception of a New World Order involves the belief that the troubles of the world can be solved. It is the affirmation of man's conviction that he can control his destiny. The War has made many issues clearer, among them the possibility of a change of motivation and the practicability of shifting the basis of the social order. Preoccupation in the body of society with private interests has given way during the War to a new consideration of general interests,

and a new spirit of co-operation has replaced, or at least in some degree modified, selfish, national, and personal interests. The impetus has been given for a new social structure and a new regenerative force in human relationships. How can that spirit be made so strong that those possibilities can be realized? The answer will be found in the degree in which individual responsibility has been awakened and in the strength of the identification of the individual with the common interests of mankind, which together will energize the men of the new age. The failure of the old order has made people realize that there is no centre in nations or in institutions. The centre is in the individual, who must be as a rock or there is no stability, who must have light within him or there is no guidance, who must be capable of association with others or there is no power, and who must be ready to take responsibility or nothing will be done. To reconstruct nations and institutions through individuals who associate on the basis of function, defining and declaring their ends, is the creative act of the New Order.

That act will be performed when we declare that the New Order shall be and set about its making. We shall then set free the energies of youth for which the old order could find no use except in war. We shall form a new army of creative soldiers, who will fulfil the words of a great Englishman: ' . . . the Soldier who fights for truth calls every man his brother; they fight and contend for life and not for eternal death.' We shall know that the task has to be faced now, not tomorrow, not when Peace comes, but to-day without a moment to lose. Then the acceptance of specious lies in place of truth will be ended, the tolerance of incompetence will cease, and the nervelessness of men who are

afraid will be over. Great schemes of world reconstruction will be put in hand to deliver men and women from starvation, to provide them with abundant life, to train the children of the future, and to make truth, goodness, and beauty flourish. The technical equipment, natural resources, skill, and personnel wait for the impetus of the faith of those who intend to create the new social structure.

In the middle of the *Republic*, Socrates faced the challenge that if the merits of his proposal were agreed, he would be left with the question whether it was practicable or not. He admitted the relevance of the question, and replied in words that I venture to repeat:

Let me entertain myself, like those lazy-minded men who are wont to feast themselves on their own thoughts. . . . Such men, you know, do not wait to discover the means of attaining the object of their desires. They let the question alone to save themselves the weariness of deliberating about what is practicable and what is not. They suppose they have what they desire, and then proceed to arrange the remainder of the business, and amuse themselves by enumerating all that they will do when their desire is realized, so making their already lazy minds even lazier.

With such humour did Socrates receive the question, 'How?' without, however, evading it. Neither have I thought it wise to complicate what I have endeavoured to describe in these pages by discussing the means of giving effect to it, though I venture to think that they are implicit in the new attitude without which it would be vain to consider the changes involved.

The New Order is human organization formed in liberty and alliance. The aim of the New Order is the perfect man, conceived and nurtured in community. In the New Order are contained our war aims and the terms of peace.

# ACKNOWLEDGMENTS AND NOTES



## ACKNOWLEDGMENTS AND NOTES

As I explained at the outset, I have done my best to make this book short. It would have been easier to make it long, but I have compressed it as much as I knew how. I hope I have not made it too dry and bare. It is not an academic work. I have written for the sake of immediate action, not for the sake of theory. I have, therefore, not loaded the text with references and I do not propose to fill these final pages with them, and though I refer to some books in these notes I have not prepared a bibliography.

I owe much to innumerable people, the names of some of whom I mention; but there are many others to whom my debt is no less great.

I ask readers to bear in mind that when I use the word 'men' in the text, I usually intend to include 'women.'

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- 3 The quotation at the head of the chapter is from Lionel Curtis's *The Commonwealth of God* (Macmillan, 1938). I think I may say that had he not written that book, this would not have been written.
- 9 I owe the conception of 'state,' 'society,' and 'nation' to Sir Patrick Geddes, with whom I became acquainted in 1919 when he was old; he was one of the most vital personalities I have known. His writings are scattered and have never been collected. Perhaps the best exposition of his ideas is contained in *Life: Outlines of General Biology*, by Sir J. Arthur Thomson and Patrick Geddes (Williams & Norgate, 2 vols., 1931). The second volume contains Geddes's ideas of Place, Function, and Folk.
- 10 A book in which Plato is interpreted in the light of Hindu philosophy is *The Message of Plato*, by E. J. Urwick (Methuen, 1920).
- 11 Rudolf Steiner's *The Threefold Commonwealth* (Anthroposophical Publishing Co., 1923), first published as *Die Kernpunkte der sozialen Frage*, in 1919,

was not the source of my idea of the threefold social organism, but I owe much to the inner and universal qualities of his writings. He describes 'liberty' as the spiritual quality, represented by the heart, 'equality' as the state, represented by the head, and 'fraternity' as the economic system, represented by the stomach, which is different from my own image. Steiner's *World Economy* (Rudolf Steiner Publishing Co., 1936), consisting of lectures delivered in 1922, ought to be read as an exposition of economic principles of the greatest importance. These two books are not to be dismissed as curious theosophical speculations but regarded as an acute, intelligent, and constructive treatment of social affairs.

- II Salvador de Madariaga discusses function in *Anarchy and Hierarchy* (Allen & Unwin, 1937). He says that 'the modern state should separate as clearly as possible its political and its economic functions,' and proposes the creation of a 'political state' concerned with (1) all final decisions, including sovereignty; (2) constitutional affairs; (3) foreign relations; (4) national defence; (5) home affairs (justice and police); (6) education; and (7) information; and an 'economic state' concerned with (1) the study and organization of the national economy; (2) production and distribution; (3) public works; (4) finance and credit control; (5) guild organization; and (6) communications. I think his book and the proposals contained in it would have gained from a closer study of the functional idea; but the book is an important contribution to the discussion of the proposal to separate economics from politics. In his political scheme direct suffrage goes no further than the municipality. His treatment of culture in the social order is unsatisfactory.
- II The quotation is from Samuel Alexander's *Philosophical and Literary Pieces* (Macmillan, 1939), p. 273.
- 13 ' . . . the rule of all things must needs be taken from

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- their end; for then is a thing best disposed when it is fittingly directed to its end.'—St Thomas, I, I, ii, Everyman edition (selection), p. 51.
- 13 Otto Gierke, *Political Theories of the Middle Ages*. Translated with an introduction by F. W. Maitland (Cambridge, 1900).
- 13 Acton can profitably be re-read, especially his *The History of Freedom and other Essays* (Macmillan, 1907). As a Catholic, Acton had to think with great clarity on the subject of freedom, which he did with considerable courage. He dreaded any single power, and, as Figgis says of him, he hated 'the claim of absolutism to crush the individuality and destroy the consciences of men.'
- 13 J. Neville Figgis, an Anglican theological-political writer, is of present importance. His *From Gerson to Grotius* (Cambridge, 1916) and other works deserve study, for he may be regarded as a New Order writer.
- 13 Léon Duguit has been translated into English by F. and H. Laski, *Law in the Modern State* (Allen & Unwin, 1921). The work is dated 1913 and its theme is that public service replaces state sovereignty. 'Sovereign power,' he says, 'is a function and not a subjective right to command.' Also, 'Personally, it seems to me clear that its [the state's] real basis is social interdependence.'
- 13 H. J. Laski's *A Grammar of Politics* (Allen & Unwin, 1938) has an interesting Introductory Chapter in the latest edition.
- 13 I read de Maëztu when he wrote about function in the *New Age* during the First World War, and date my interest in the idea from that time. His book is out of print and was concerned with the problems of 1916, but it is well worth reading still.
- 20 Reinhold Niebuhr's *Moral Man and Immoral Society* (Scribner, 1933), from which my quotations are taken, and *Reflections on the End of an Era* (Scribner, 1934).



- 28      In connection with his vigorous and destructive criticism of the House of Commons, Hilaire Belloc proposed, in *The House of Commons and Monarchy* (Allen & Unwin, 1920), the elimination of Parliament as we know it and the substitution of councils representative of vocations, trade unions, and professional associations, and the representatives of regions. He argued for the devolution of powers with a correspondingly increased central control in the monarchy. His conception of monarchy, the powers of which reside wholly in a single individual, is, however, in my view highly defective.
- 28      The quotation is from Lord Eustace Percy's *Government in Transition* (Methuen, 1934), written under the 'conviction of the imminence of cataclysm and of our unpreparedness for it,' a plea for a co-operative commonwealth, written with feeling but, it seems to me, without much hope.
- 37      Oswald Spengler on money in *The Hour of Decision* (Allen & Unwin, 1934):  
 Money has become for man as an economic animal a form of activity of the waking-consciousness having no longer any roots in Being. This is the basis of its monstrous power . . . which is always an unconditional dictatorship of money, though taking different forms in different cultures. This is the reason, too, for the want of solidity, which eventually leads to its losing its power and its meaning, so at last, as in Diocletian's time, it disappears from the thought of the closing civilization, and the primary values of the soil return anew to take its place.
- 37      The idea of 'free money' that loses value is Silvio Gesell's, whose *The Natural Economic Order* (Berlin-Frohnau, Neo-Verlag, 1929) is a work of first importance. Gesell wrote in 1906; his ideas on monetary reform have perhaps aroused more controversy than those of any other reformer. Of the numerous unorthodox English writers on money, there is no one to equal, for scientific treatment of the subject, Professor Frederick Soddy, whose *Wealth*,

*Virtual Wealth, and Debt* (Allen & Unwin, 1933) is a classic.

- 45 The Minister of Works and Buildings appointed on 29th January 1941 an expert committee to report upon the means of preventing land speculation from interfering with the work of reconstruction after the War.
- 50 The quotation is from W. R. Lethaby.
- 52 Much fuller treatment of local government is required than I have given it; in particular, I have said too little about the functions of local government and regional bodies in connection with the public services provided by the economic system, such as transport, communications, power, etc., and with education and public health provided by the cultural guilds. There must be some contact between the local and regional civic bodies and the guilds because the guilds exist to meet public need and public criticism and suggestions must be expressed and account taken of them. There should, therefore, be committees of the civic bodies, which should have statutory functions in representing public demand and whose representations the guilds should be bound to consider. I have provided for direct public representation on the local management of the distributive guilds; I do not think there is anything to be gained by reintroducing elements of municipalization into the operation of economic and cultural services.
- 72 Sir John A. R. Marriott, *Dictatorship and Democracy* (Oxford, 1935), p. 5.
- 76 During and shortly after the First World War there was much writing and discussion upon National Guilds, or Guild Socialism, and at the end of the War a number of attempts to establish guilds was made, the most important of which was the Building Guild. These practical attempts at guild organization were really no more than workers' co-operative producing societies, and had the usual fate of such

enterprises, without adequate finance and suffering from inability to function in the present order. An account of the Building Guild is given in S. G. Hobson's *Pilgrim to the Left* (Arnold, 1939). There are many writers on guild theory, of whom S. G. Hobson (*National Guilds*, Bell, 1914) and G. D. H. Cole (*Self-Government in Industry*, Bell, 1918; Macmillan, 1928) are the most important. The subject continued to be discussed by those interested in the trade unions becoming guilds and making themselves responsible for the conduct of industry, which did not commend itself to the trade unions; for it involved an entire change in the functions of the unions. There was never any real prospect of guild development along these lines. S. G. Hobson indefatigably maintained this idea until his death in 1940.

- 77 The Whitley Report of 1917 expressed the need felt for economic self-determination during the First World War and the desire to find an alternative to government control of industry; but the recommendations made in the Report were never fully implemented, except for the formation of joint industrial councils, which have met with varying degrees of success. When the War ended, and there was fear of industrial disturbance, and with the object of increasing production, a National Industrial Conference was summoned by the Coalition Government on 27th February 1919, attended by about 500 workers' representatives and about 300 representatives of employers, though the miners, railwaymen, transport workers, and amalgamated engineers would have nothing to do with it. As an outcome of the Conference, a Provisional Joint Committee was set up consisting of half workers and half employers, which two months later submitted a report proposing the formation of a Permanent Industrial Council. The Committee was instructed to examine and report on (a) hours, wages, and general conditions of employment; (b) unemployment and its pre-

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vention; and (c) the best methods of promoting co-operation between Capital and Labour. The Conference met again on 4th April 1919, but the Prime Minister did not attend though he sent a letter welcoming the report. The Conference decided to refer the report to the organizations as soon as the Government declared its intention to take the necessary legislative steps to give effect to it. Bills were drafted but no serious attempt was made to get agreement upon them. In May the Committee met to receive an evasive letter from the Prime Minister. After that nothing was done. The constitution of the National Industrial Council proposed by the Committee was as follows. The Minister of Labour was to be President. There were to be four hundred members, half elected by employers organizations, half by trade unions. There was to be a standing committee of sixty, half workers, half employers. The scheme of trade union representation was to be as follows:

*Group*

1	Mining and Quarrying . . . .	23
2	Railways . . . .	17
3	Other Transport . . . .	15
4	Iron and Steel . . . .	7
5	Engineering and Foundry workers	21
6	Shipyards . . . .	8
7	Building and Woodworking . .	13
8	Printing and Paper . . . .	5
9	Cotton . . . .	13
10	Other Textiles . . . .	6
11	Boot and Shoe and Leather . .	5
12	Clothing . . . .	6
13	Food . . . .	2
14	Distribution . . . .	4
15	Agriculture . . . .	4
16	Clerks and Agents . . . .	3
17	Government Employees . . . .	9
18	General Labour . . . .	30
19	Women Workers . . . .	3
20	Miscellaneous Trades . . . .	6

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77 Influenced by the German example, the matter continued to be discussed, and a small expert Economic Advisory Council was actually set up by the first Labour Government. Interest was taken in the proposals of Sir Arthur Salter, who favoured the formation of a National Economic Council in his examination of the national position in *Recovery* (Bell, 1932), when he declared: 'Certainly government is everywhere now proving inadequate to the tasks which it has assumed. Government does not direct, it is pushed into action by those who have a concentrated interest and no general responsibility.' In a later book, *The Framework of an Ordered Society* (Cambridge, 1933), he sketched a scheme for the development of the existing Economic Advisory Council, which hardly ever met, proposing a meeting at least once a year! Sir Arthur was in favour of self-government in industry, 'encouraged and guided by the constitutional and representative government of the state'; but though outspoken in criticism he was over-cautious in constructive suggestions.

77 A somewhat more detailed scheme for economic reorganization was contained in Harold Macmillan's book, *Reconstruction: A Plea for a National Policy* (Macmillan, 1933; an extended treatment of the subject was contained in *The Middle Way*, 1938). Mr Macmillan said:

The great need of the moment is not only for a policy of action to deal with a pressing situation, but for a new theory of social and economic organization which will facilitate the evolution towards a new economic system suitable to the changed circumstances of the modern world.

He proposed the creation of a representative National Industrial Council for each industry or group of industries to 'enable each industry to evolve towards the highest possible unity of policy and the necessary degree of centralization of control.' There was also to be an Investment and Development Board, representative of the National Industrial

Councils, the government, and finance, the object of the Board being to 'synchronize and relate Political, Industrial, and Financial policy to the common object of equilibrium.' This Board, or Central Economic Council, was to have a cabinet minister as its chairman, and Mr Macmillan's idea was 'to build an organization by which Parliament can be advised on industrial problems and through which the policies it may discuss can be carried out.' This was a scheme for the self-government of industry, in which control was still to remain in the hands of the employers, but in which the worker was to have a voice. Each national Council was to have 'functional sub-divisions of management' within the industry, area or district units, and works organization, on all of which the workers were to be represented. The scheme was an attempt to devise an economic structure, to rationalize industry on a national scale, 'seeking a method by which private ownership may be reconciled with public policy.'

- 77 Sidney and Beatrice Webb, in their book *A Constitution for the Socialist Commonwealth of Great Britain* (Allen & Unwin, 1920), proposed the creation of a Social Parliament to control economic and social activities. To this Parliament they proposed the transfer of the ownership of land and national resources, taxation, administration of public services, public health, education, scientific research, encouragement of the arts, etc. The Social Parliament was to be directly elected by the whole body of adult citizens and have the same number of members as the Political Parliament. Thus there would be two equal national assemblies, each supreme in its own sphere, and each with legislative powers. In the event of disputes, matters were to be settled by the two Parliaments in joint session. Mr and Mrs Webb regarded the social organism as a Democracy of Citizens, a Democracy of Producers, and a Democracy of Consumers. As citizens, representation was given in the Political Parliament, and as producers and

consumers in the Social Parliament. Voluntary consumption was to be organized mainly through the co-operative movement, and obligatory consumption through local authorities. The authors discussed the reorganization of local government and favoured the payment of members. They were opposed to vocational control and to self-government in industry; they gave the worker as such a voice, but placed control of the economic processes in the hands of the citizen-consumer. I do not discuss the bearing of this scheme upon the proposals I have made; the differences are considerable. The book is of great interest, especially the authors' discussion of the electoral system, co-operation, and municipalization.

- 86 Herbert Tracey's *Trade Unions Fight—For What?* (Labour Book Service, 1940) is a valuable account of the collaboration of the trades unions with the government during the present war. The book contains some critical matter. In particular it expresses the dissatisfaction of the trades unions with the system of public utility corporations and the disregard in their constitutions of the functions of trade unions. Mr Tracey asks: 'Have they [the unions] a constructive contribution to make in the development and guidance of the productive forces?' He considers that they have, that as free associations they could achieve a superior technique of production, which would justify their assuming responsibility for the productive process. In a critical foreword to the book, George Gibson, Chairman of the Trades Union Congress General Council, who clearly dissents from the author's opinion, declares that the unions themselves 'are as yet a very imperfect form of organization.' Mr Tracey indicates the possibility that lies within the highly conservative trade union movement of adaptation to a new form of free society.

- 88 Common ownership is made the proposed basis of a new social order by Sir Richard Acland, M.P., in *Unser Kampf* (Penguin Special, 1940), who indicates

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a scheme of compensation ranging from a hundred per cent on small incomes to ten per cent on the largest incomes, for life, with the option of taking twenty per cent less in consideration of the compensation being extended to cover the lives of children. He makes an eloquent plea for new ideals and a new unselfishness.

130 A plea for a cultural organ free from political and economic interference is made by Christopher Dawson in *Beyond Politics* (Sheed & Ward, 1939).

133 There have been many attempts to achieve Christian unity and much has been written on the subject. The Bishop of Chichester's *Christianity and World Order* (Penguin Special, 1940) contains an account of some of them and a list of recent books. Dr Bell's book is a plea for Christian unity as a basis for world order. He urges the calling of a conference in Rome, or elsewhere, to discuss the possibility of establishing some form of regular consultation and collaboration between the Vatican and the other Christian Churches, on the basis of the Pope's 'Five Peace Points,' when His Holiness said:

They [the nations] must develop that sense of deep and keen responsibility which measures and weighs human statutes according to the sacred and inviolable law of God; they must cultivate that hunger and thirst after justice which is proclaimed as a beatitude in the Sermon on the Mount and which supposes as its natural foundation the moral virtue of justice; they must be guided by that unusual love which is the compendium and most general expression of the Christian ideal, and which therefore may serve as a common ground also for those who have not the blessing of sharing the same faith with us.

135 The best description I know of the meaning of the unity of religions is contained in *The Dabistan, or School of Manners*, translated by David Shea and Anthony Troyer (Oriental Translation Fund, 1843), in which it is related that a disciple came to Sabjání, a Sufi saint of the seventeenth century, and demanded some employment:

The master asked him: 'Hast thou devoted thyself to



piety?' The answer was: 'I have.' Then Sabjání said: 'If thou art a Muselman, go to the Franks, and stay with that people; if thou art a Nazarean, join the Jews; if a Sonni, betake thyself to Irak, and hear the speeches and reproaches of those men; if thou professest to be a Shíah, mix with the schismatics, and lend an ear to their words; in this manner, whatever be thy religion, associate with men of an opposite persuasion; if, in hearing their discourses, thou feelest but little disturbed, thy mind keeps the tenor of piety; but if thou art not in the least moved and mixest with them like milk and sugar, then certainly thou hast attained the highest degree of perfect peace, and art a master of divine creation (Vol. iii, pp. 303-4)

- 139      The school-leaving age at present is fourteen. Under the Education Act, 1936, the age was raised to fifteen, but it had still to be put into force when the War broke out, and by the Education Emergency Act, 1939, it was suspended for the period of the War. The Fisher Education Act, 1918, professed to aim at a national system of education for all and to establish the principle that education should not cease before eighteen. To that latter end it provided for Day Continuation Schools for children between fourteen and eighteen, requiring compulsory attendance in working hours for eight hours a week, but the system was never brought fully into use and was allowed to lapse.

- 161      A small book of great value containing a proposal for the constitution of a British Senate is R. V. Wynne's *A Supreme Senate and a Strong Empire* (P. S. King, 1934). The book was first issued in 1908. Mr Wynne proposes a new constitution on an Empire basis in which what he regards as the original senatorial form of the British political system should be restored. This new constitution is to consist of three estates:

*The First Estate*: The Supreme Senate (or Board of State) consisting of twenty-five great officers of state including the king.

*The Second Estate*: The Court of Peers (or Court of

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Great Council) which would be the foundation of the Supreme Senate.

*The Third Estate*: The Court of Parliament consisting of the House of Lords and the House of Commons.

This book is essentially an argument for training in politics and skilled statesmanship.

181 One of the most valuable studies of the Commonwealth and its philosophical basis is John Coatman's *Magna Britannia* (Cape, 1936).

183 A criticism of the present lack of structure in the Commonwealth and proposals for imperial organization are contained in Major-General J. F. C. Fuller's *Empire Unity and Defence* (Arrowsmith, 1934). This distinguished soldier-historian proposes the establishment of an Imperial Council with a secretariat, and four great Imperial Departments, Culture, Economics, Politics, and Defence. The function of the Council being to view the Empire as a whole, and to work out policies for submission to the respective governments.

192 The quotation is from Lord Melchett's *Modern Money* (Secker, 1932), which was an attempt to recreate the economic future of mankind by the revision of the old order.

204 The quotation is from Major-General Fuller's *War and Western Civilization* (Duckworth, 1932).

207 After I retired from the editorship of *Everyman* in 1932, I edited the *New Britain* weekly for its first year, which owed its existence to Dimitrije Mitrović, and in which his remarkable pronouncements, none of which bore his name, appeared for some years. Apart from his journalistic writings, which started in the *New Age* in 1917, he has published nothing, though he has lived in London for more than twenty-five years; but his influence in this country, the continent, and America has been considerable. Although the phrase 'the new order' has constantly been used by

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social historians, Mittrinovič was the first to use it to represent a specific new principle of social order, in which ruled what he called 'the third force.'

- 222      The German National Federal Economic Council had 326 members comprised as follows:

Agriculture and Forestry . . . . .	68
Horticulture and Fishery . . . . .	6
Industry . . . . .	68
Commerce, Banking, and Insurance . . . . .	44
Transport and Public Works . . . . .	34
Handicrafts . . . . .	36
Consumers . . . . .	30
Officials and Free Professions . . . . .	16

With the exception of the last two sections, the representatives were equally divided between employers and employed. The Consumers representatives included two housewives and one domestic servant. In addition to the elected representatives, the Reichsrat was empowered to appoint 12 persons entrusted with the economic life of the various parts of the country, and the Federal Government nominated 12 people 'who have promoted through special services the industry of the German nation in a pre-eminent manner or are capable thereof.'

The National Economic Council conducted a large amount of activity through committees, and had some influence upon legislation and government policy, but its functioning became ultimately impossible, until Hitler took it over, and as a so-called Parliament of Industry it can hardly be considered to have had much value. A description is contained in *Representative Government and a Parliament of Industry. A Study of the German Federal Economic Council*, by Herman Finer (Fabian Society, 1923); but remarkably little in examination of the scheme and its actual working has been published in this country.

- 224      The National Socialist movement, which Hitler did not originate, but exploited, contains elements of

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doctrine that should not be ignored, and it should not be overlooked that there are those in that movement, as well as outside it, who are, and for long have been, in definite conflict with Hitlerism. An indication of the discussable elements in National Socialism is contained in two books by Otto Strasser, who broke with Hitler as long ago as 1930 because of the latter's opportunism and betrayal of the movement: *Hitler and I* (Cape, 1939), and *Germany To-morrow* (Cape, 1940). A biographical account of Strasser is contained in *Nemesis*, by Douglas Reed (Cape, 1940). Mr Reed has great belief in Strasser without agreeing altogether with his proposals. In these books an account is given of Strasser's association with Hitler and the Nazi party, together with an exposition of what he contends to be the true aims of National Socialism. In the first book Strasser quotes from a remark made by his brother Gregor Strasser to Hitler and Ludendorff in October 1920: '... from the Right we shall take nationalism . . . and from the Left we shall take socialism. . . . Thus we shall form the National Socialism which will be the motive force of a new Germany and a new Europe.'

The two Strassers were exponents of this German Socialism, which was at the same time opposed to Moscow and to the Weimar Republic—'there was nothing republican about the German state except in name,' Otto says, 'and there were no Republicans.' The source of their doctrine (not mentioned by Mr Reed, but acknowledged by Strasser) was Möller van den Bruck, 'the Rousseau of the German Revolution,' who, in a sort of Nietzschean ecstasy in defeat, sought to re-create German values, authority, discipline, and a way of life, declaring: 'We have lost the War, let us win the Revolution.' In van den Bruck's book, *Das dritte Reich*, published in 1923, (issued in an English version made by E. O. Lorimer in 1934, *The Third Empire*, Allen & Unwin) the doctrine of mystical German nationalism was set forth. Van den Bruck committed suicide when he

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realized that Hitler was incapable of idealism. Otto Strasser escaped from Germany when Hitler came to power, and continued his work abroad as leader of the Secret or Black Front against Hitlerism and for German Socialism. Gregor Strasser was murdered by Hitler in the 'Blood Bath' of 30th June 1934.

A brief examination of Strasser's proposals is deserved. They are contained in *Germany Tomorrow*, in which he prints a version of his German New Order, first published in 1931 in *Aufbau des deutschen Sozialismus*.

'Autarchy' is the leading idea of this German New Order, self-sufficiency in every sphere. The proposals are fundamentally syndicalist. Strasser says:

The basic maxim of this form of democracy runs, self government by the estates, and their direct control of the political administration

His idea of national organization is vocational, the vocations being what he calls the estates.

The economic system of Strasser is intended to abrogate private property and to repudiate state socialism. This is done by ownership belonging to the state, possession being in the hands of 'managers,' and the workers receiving wages and a share of the profits.

The economic organization of the nation is to be five vocational groups (manual workers, peasants, employers and officials, manufacturers and traders, and members of the liberal professions) in Reich, province, and circle (or sections of the provinces). The members of the vocational groups in each circle are to elect five vocational councils of twenty-five members each, for a period of three years. The circle vocational councils are to elect provincial vocational councils of fifty members each, for a period of five years. The provincial vocational councils are to elect five Reich vocational councils of one hundred members each, for a period of seven years.

The functions of the vocational councils are to deal with all vocational interests, wages, working conditions, vocational training, etc. Their most important duty will be to nominate the 'manager' of any enterprise subject to the ratification of the Circle President. The 'manager' is really the employer, the one who is responsible for the enterprise, who carries out the instructions of the state authority, pays the wages, and is generally responsible for the conduct of the industry or business. The extent to which the 'manager' is financially responsible is not made clear. All economic operations are intended to be carried out jointly by the 'manager,' who is described as a member of 'a functional aristocracy' or as 'a captain of industry' or 'a commissioned officer of economic life,' by the workers, who are 'privileged partners with the manager,' and by the state, which will be the owner and the 'trustee of the consumers.' Strasser says:

. . . it [the state] will have much influence, but only within and beside the self-determination of the working producers, namely of the managers (who may be a plurality) and the staff of workers (consisting in appropriate proportions of clerical and other intellectual workers, on the one hand, and manual operatives, on the other).

The political organization is to be formed out of the vocational councils. In each circle the vocational councils will elect twenty-five persons to form a Circle Chamber of Estates, to which will be added three additional members appointed by the Circle President. In each province the Provincial National Councils will elect a Provincial Chamber of Estates of fifty persons, with five additional members nominated by the President of the Province. The Reich Chamber of Estates will consist of one hundred persons elected by the vocational councils of the Reich, and ten additional persons appointed by the President of the Reich. The proportion of members elected by each vocational group in circle, province, and Reich will depend upon the number of its

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members in each area, with the limitation that no one vocational group shall have more than fifty per cent of the members of the chamber.

The political administration is to be as follows. The President of the Reich, elected for life by the Great Council, will be the supreme representative of the state authority. Five ministers of state, appointed by and subordinate to him, will be advisory. The Great Council will consist of the presidents of the provinces (from fifteen to seventeen in number), the five ministers of state, and the President of the Reich Chamber of Estates.

The President of the Reich, the Great Council, and the Reich Chamber of Estates together are intended to wield the state authority:

The three wielders of state authority will have equal powers. A law will require the assent of any two of them for enactment or repeal.

The provincial presidents will be appointed by the Reich President, subject to the agreement of the respective provincial chamber of estates; the president of the circles will be appointed by the provincial presidents, subject to the circle chamber of estates.

I confess that I do not find Strasser always easy to follow, and his omissions are considerable. He is ill informed and especially ignorant of socialist ideas, as are all National Socialists. His new order is authoritarian, not democratic. He calls it 'authoritarian democracy,' and describes himself as a 'conservative socialist.' There are no free politics and no popular elections; power is placed in the hands of the President of the Reich and the hierarchy of officials in political and economic administration, which he will appoint. The system is bureaucracy in the highest degree. Strasser speaks of 'the systematically planned management of the whole national economy by the state,' the planning being done, presumably, by the authority of the President of the Reich.

The pyramidal system of indirect election, whereby

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a body elected for three years appoints another for five, which in its turn appoints a third for seven years, makes the legislative authority of the nation remote from popular control.

The cultural functions are presumably intended to be under state control, except the church, 'with whose internal affairs the state should never interfere.' He goes on to say that 'the proclamation of the freedom of faith and conscience would be usefully supplemented by a recognition of the freedom of art and science, whose healthy growth needs independence from the rule of the average man.'

Strasser's proposals for European federation, made since the War, are based upon the decentralization and regionalization of Germany and the 'passionate repudiation of the idols of the totalitarian State, and by the whole-hearted acceptance of Christianity with its doctrines of the freedom and dignity of the human soul.' He proposes the partition of Prussia, saying:

We Germans must ourselves overcome Prussia. We must overcome it territorially, and spiritually; for only when we have done so will New Germany, will New Europe, become possible.

He proposes also the destruction of the present centralized administrative apparatus (though his 'democracy of vocational estates' replaces it by another centralized system), the renunciation of militarism, terms to the Jews, plebiscites in Austria and the Sudetenland, and Poland to co-operate with the Baltic States.

'Autarchy,' however, is not reconcilable with federation, so that there would have to be some modification of the doctrine of self-sufficiency; but federation is not inconsistent with the true destiny of nations, each with a task of its own; indeed, its successful working depends upon healthy nationalism.

It is clear that there is a marked divergence in spirit and method between Strasser's conception of a New German Order and our idea of a New Britain. After allowing for German characteristics, for the



desire for authority and dislike of democracy, and recognizing that Germans are willing to sacrifice much that Englishmen hold dear for the satisfaction of having orders to obey, the Strasser scheme does not harmonize with the New Order, the essential features of which are the functional principle in a threefold social order. If the German scheme were amended so as to separate the political from the economic sphere and to include an autonomous cultural order, the particular German features might remain, for the New Order must have various national modifications. It is notable that there is no place in Strasser's proposals for parliamentary democracy or anything approximating to it. Certainly parliamentary democracy has never been successful in Germany. Neither in the Empire nor in the Republic was the Reichstag anything like the British House of Commons, and its conversion by Hitler into an assembly to receive and to applaud decisions was a reversion to Bismarckian practice. Strasser is opposed to popular elections and to the entire machinery of democratic government as it is known in this country. His alternative is direction from above subject to criticism by bodies elected on a restricted franchise. It is the antithesis of popular government; for it places emphasis upon leadership; but it is intended to make demagogic usurpation of leadership impossible.

The questions that arise are, is Germany capable of collaboration, able to give up aspirations towards hegemony, and ready to surrender Frederick the Great's conception of German superiority? Until these questions are answered satisfactorily Germany's place in European society cannot be found, and the European problem will not be solved.

- 231 There are few books that approach the subject of world order from the point of view represented here. By far the best, I venture to say, is F. Melian Stawell's *The Growth of International Thought* (Home University Library, 1929). There is Salvador de Mada-

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riaga's *The World's Design* (Allen & Unwin, 1938), written from a League of Nations point of view. H. G. Wells has a literature of his own, with some of the best writing and best proposals to be found on the subject. His little Penguin polemic is as good as anything, *The Common Sense of War and Peace* (1940), and his last novel, *Babes in the Darkling Wood* (Secker & Warburg, 1940), is an admirable and hopeful vision of the possibilities of 'full, long-range life.'

233 The numbers of the different religions of the world are as follows (*Whitaker*, 1940):

Roman Catholic	331,500,000	
Orthodox	144,000,000	
Protestant	206,900,000	
Coptic	10,000,000	
<hr/>		
Total Christians		692,400,000
Jews	16,140,000	
Mohammedans	209,020,000	
Buddhists	150,180,000	
Hindus	230,150,000	
Confucians and Taoists	350,600,000	
Shintoists	25,000,000	
Animists, etc.	135,650,000	
Unclassified	50,870,000	
<hr/>		
Total non-Christians		1,167,610,000

247 The great Englishman is William Blake. His works are a bible of the New Order.

I started this book on 17th June 1940 and finished it in the following October. Since then I have given it some revision. As I pass the final proofs the developments in economic control indicated by the President of the Board of Trade, on 4th March 1941, show the direction in which industry is being forced, and foreshadow permanent changes in industrial structure. What I have said in the foregoing pages has relevance to the situation that is unmistakably arising.



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